

CONDOMINIUM OFFERING PLAN FOR

33 EAST 74TH STREET CONDOMINIUM

33 East 74th Street, New York, New York 10021

TOTAL INITIAL OFFERING PRICE OF THE 10 RESIDENTIAL UNITS OFFERED FOR SALE HEREBY: $246,100,000

TOTAL INITIAL OFFERING PRICE OF THE 10 RESIDENT STORAGE ROOM LICENSES OFFERED FOR SALE HEREBY: $2,370,200

AGGREGATE OFFERING PRICE: $248,470,200

(The Condominium has 10 Residential Units, 1 Commercial Unit and 10 Resident Storage Room Licenses. The Commercial Unit is not being offered for sale hereunder at this time.)

Sponsor

JZS Madison, LLC
780 West End Avenue, 1E
New York, New York 10025

Selling Agent

Douglas Elliman
575 Madison Avenue
New York, New York 10022
(212) 891-7000

Date of Acceptance for Filing: November 18, 2013

This offering plan may not be used for more than one year from the date of acceptance unless amended.

SEE PAGE (vi) FOR SPECIAL RISKS TO PURCHASERS.

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

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

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

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SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Use Provisions

33 East 74th Street Condominium will initially consist of 10 Residential Units, 1 Commercial Unit, 10 Resident Storage Rooms and the Common Elements. Only the Residential Units (and their appurtenant interest in the Common Elements) and the Resident Storage Room Licenses are offered pursuant to this offering plan.

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

The Resident Storage Rooms may generally only be used for storage purposes, or as otherwise permitted by Legal Requirements (as such term is defined hereinafter), provided that no materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, as provided in the By-Laws.

The Commercial Unit (not offered hereby) may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial or office purposes. The Condominium's board of managers (the "Condominium Board") will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. It is currently anticipated that the Commercial Unit will initially be used for retail purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners. (See Sections B and R in Part I of the Plan for further discussion.)

2. Control by Sponsor; First Meeting

The powers and duties necessary for or incidental to the administration of the affairs of the Condominium will be vested in the Condominium Board. Sponsor will be entitled to designate a majority of the members of the Condominium Board until the later to occur of: (i) the fifth anniversary of the first closing of title to any Unit by Sponsor pursuant to an Agreement (the "First Closing"); or (ii) the closing of title to Units by Sponsor representing more than 75%, both in number and in aggregate Common Interests, of all Units. **Because Sponsor reserves the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare this Plan effective and owner-occupants may never gain effective control and management of the Condominium.**

Therefore, during this period (the "Initial Control Period") Sponsor will be able to control the maintenance and operation of, and services to be provided by, the Condominium; Sponsor will also be able to control the determination of the Common Charges to be paid by all Unit Owners. Moreover, during the Initial Control Period, the Condominium Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the

Common Elements or any Residential Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B "Projected Budget for First Year of Condominium Operation" set forth in the Plan (the "First Year's Budget"); (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium, if any, or unless any such borrowing is approved by the owners of Units representing at least 66-2/3% in aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Condominium Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Condominium Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in said Schedule B, or over expenses required: (i) to comply with applicable Legal Requirements; or (ii) to remedy any notice of violation; or (iii) to remedy any work ordered by an insurer. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence for a period ending not more than five (5) years after the First Closing or whenever Unsold Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is sooner.

The Condominium Board shall consist of three members designated by Sponsor from time to time until the first annual meeting of Unit Owners (the "First Annual Meeting"), at which time the incumbent Board will resign and a new four member Board will be elected by the Unit Owners. The First Annual Meeting shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units. However, at elections of members to the Condominium Board held during the Initial Control Period, (x) Sponsor and/or its designee shall have the right to elect and/or designate two members of the Condominium Board, in the aggregate, who are related to or affiliated with Sponsor, such designee or other Unsold Unit Owner(s), (y) the Commercial Unit Owner shall have the right to designate one member of the Condominium Board and (z) Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining member of the Condominium Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Unit Owners. **Because Sponsor reserves the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the fifteen percent (15%) necessary to declare this Plan effective, and as such, the First Annual Meeting may never occur.**

As a result of the foregoing, there is no provision in the By-Laws for a majority of the Condominium Board (or the holders of a majority of the voting interests of the Condominium Board) to be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals within two years after the First Closing. Owner-occupants and non-

resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

(See Section A and Q in Part I of the Plan for further discussion.)

3. Purchaser Deposits; Defaults by Purchasers

At the time an option agreement for the purchase of a Unit (an "Agreement") is executed, the Purchaser thereunder is required to make an option payment in an amount equal to 15% of the purchase price set forth therein (the "Initial Deposit"); and an additional option payment equal to 10% of such purchase price (the "Additional Deposit") due and payable no later than the earlier to occur of: (x) six (6) months after the date of the Agreement; or (y) 15 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit. If an amendment declaring the Plan to be effective has been accepted by the Department of Law as of the date on which the Initial Deposit is due, then any Additional Deposit shall be due and payable at the same time as the Initial Deposit. The term "Deposit" as used herein refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit. Notwithstanding the foregoing, if a Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser will be required to make an Initial Deposit equal to 50% of the applicable purchase price and will not be required to make an Additional Deposit. As of the initial filing date of this Plan, the applicable maximum limit for FDIC standard deposit insurance was $250,000. Deposits made by a Purchaser in excess of the applicable limit in effect from time to time in the aggregate in connection with the purchase of a Unit or Units will not be federally insured.

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

apportionments to be made at the closing will be made as of midnight of the day preceding the originally scheduled closing date; and (ii) the Purchaser will be required to pay to Sponsor a per diem amount equal to 0.04% (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) of the purchase price of the Unit(s) in question for each day that the closing is adjourned. Purchasers are advised that notwithstanding the foregoing, nothing herein shall be deemed to grant Purchaser any right of rescission and/or any right to the return of all or any portion of a Deposit except as expressly set forth in the Plan.

All funds received by Sponsor for upgrades or extras must initially be placed in the Escrow Account (as defined hereinafter). However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent (as defined hereinafter) as long as Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras.

(See Sections I, J, L and M in Part I of the Plan for further discussion.)

4. No Financing Contingency

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

Pursuant to existing law and regulation a sponsor of a condominium offering plan may declare such plan effective by entering into contracts for a minimum of fifteen (15%) percent of the apartments in the building. Therefore, even if the Plan is declared effective with a minimum number of contracts, it is possible that Sponsor may be able to establish the Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold units has not sold a substantial percentage of the units in the building or group of buildings, which percentage in some cases may be as high as seventy percent (70%). Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of ten percent (10%) or more. It also may be difficult for a purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

(See Sections I, J, L and M in Part I of the Plan for further discussion.)

5. Binding Agreement

The Agreement between Sponsor and a Purchaser, the form of which is set forth as Exhibit 1 in Part II of the Plan, in respect of the purchase of a Unit requires the making of an Initial Deposit and, subject to the terms of the Plan and the Agreement, an Additional Deposit. Each of such payments is in consideration of the granting (or continuation) of the right pursuant to such Agreement to purchase the Unit which is the subject thereof in accordance with the terms of the Plan. Provided a Purchaser shall have timely made its Deposit, such Purchaser shall have (or continue to have) the right to purchase its Unit at the stated purchase price and upon the terms and conditions set forth in the Agreement and in the Plan. Said option is to be exercised by closing title to the Unit in accordance with the terms of the Agreement. The Deposit, and all other amounts paid by a Purchaser to Sponsor pursuant to the Agreement and/or the Plan in connection with the purchase of a Unit, shall be such Purchaser's own funds (and not a third party's). In the event a Purchaser elects not to exercise its right to purchase (by closing title in accordance with the terms of the Plan and the Agreement) after payment of any Deposit, Sponsor shall have all rights applicable to a Purchaser default set forth in Special Risk #3 above. Purchasers are advised that notwithstanding the foregoing, nothing herein shall be deemed to grant Purchaser any right of rescission and/or any right to the return of all or any portion of a Deposit except as expressly set forth in the Plan. (See Sections I, J, L and M in Part I of the Plan for further discussion.)

6. Waiver Period

Sponsor shall have the right, in its sole and absolute discretion, to cause the Condominium Board to waive the collection of some or all of the Common Charges from Unit Owners for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Building during the Waiver Period (the "Operating Expenses"). In connection with the Waiver Period, (i) if the collection of Common Charges will be delayed, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such Waiver Period; (ii) Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration; (iii) during any such Waiver Period, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. (See Sections D and P in Part I of the Plan for further discussion.)

7. Interim Service Period

Prospective Purchasers are advised that until the later of: (i) twelve months after the First Closing; or (ii) the closing of title to and occupancy of at least 50% of the Residential Units, some of the services and facilities described in the Plan (such as some of the elevators, the Resident Storage Rooms, Bicycle Storage, Fitness Room or a full staff of building personnel) may not be available. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. **Because Sponsor is retaining the unconditional right to rent rather than sell Units, Purchasers are advised that the threshold percentage set forth in the first sentence of this Special Risk 7 may never be reached.** (See Section B in Part I of the Plan for further discussion.)

8. Additional Building Work

Construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. In addition, Sponsor reserves the right to convey Units to Purchasers without all or any portion of the appliances and finishes set forth in Exhibit 5 of Part II of this Plan (i.e., in "raw" condition), including, without limitation, conveyances to Unit Owners who have elected to close prior to the issuance of a temporary Certificate of Occupancy for their Unit, which will result in an extended period of time during which Owners of Units conveyed in such state will conduct construction and finishing activities after the First Closing. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Residential Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Residential Unit Owners within their Residential Units (to perform custom renovations, finishing or build-outs, etc.); and (iii) the Commercial Unit Owner to complete construction, build-out, furnishing and equipping the Commercial Unit. During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of construction, fitting out of, and moving into, the Residential Units and other portions of the Building. Various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may require more than a year after any particular Unit closing to complete and may be disrupted temporarily and from time to time. Residential elevators and personnel may be taken out of service and diverted to facilitate construction and exterior hoists may be in place during at least the year following the First Closing and from time to time thereafter, as needed, in connection with construction being performed in Residential Units by the Unit Owners thereof. Various other adjustments, to windows and elevators and other systems, may require eighteen months or more after the First Closing to complete. Sponsor may not fully complete the decoration or finishing of the residential lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. Individual Unit Owners may be conducting alterations, finishing, construction or build-out work

within their Unit, which Unit may be positioned immediately adjacent to, above or below other Residential Units which have been conveyed to Purchasers. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Residential Unit Owners (e.g., the Fitness Room, Bicycle Storage, etc.) may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work (although neither the Board nor Sponsor is under any obligation to do so). No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Residential Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Based upon the construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about March 2015. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after March 2015, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective

Date," no closing of title to any Unit will take place prior to the Plan being declared effective. (See Sections A, B and D in Part I of the Plan for further discussion.)

9. Prohibition Against Advertising

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

10. No Bond or Other Security

No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to pay such amounts with respect to the Unsold Units and agrees to pay such amounts. (See Section N in Part I of the Plan for further discussion.)

11. Sponsor's Right to Lease Unsold Units

Sponsor will endeavor in good faith to sell rather than lease the Units in a reasonably timely manner, but nevertheless, reserves the unconditional right, prior to the date of closing title to a Unit, to rent or lease such Unit to Purchasers and others. There are no limitations of any kind on Sponsor's right to rent rather than sell Units. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Moreover, once an Agreement is signed for a Unit and for so long as such Agreement is in effect, such Unit may be leased only to the Purchaser listed in the Agreement. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more units than the fifteen (15%) of Units necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the condominium. As of the date hereof, all the Residential Units are vacant. (See Sections A, H and O in Part H of the Plan for further discussion.)

12. Changes in the Commercial Unit

Sponsor and any successor Commercial Unit Owner will have the right to alter, divide, subdivide and combine portions of the Commercial Unit, subject to the provisions of all applicable laws and ordinances, and the Declaration and By-Laws. (See Section G in Part I of the Plan for further discussion.)

13. Transfer Taxes; Mansion Taxes; Closing Costs

Purchasers shall be responsible (as is customary in condominium offerings) to pay at the closing of title to their Unit(s) the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently, for the purchase of

a single Residential Unit, the New York City Real Property Transfer Tax is one percent (1%) of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Residential Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently (as of the date of the filing of this Plan) one percent (1%) of the total consideration paid when such consideration is $1,000,000 or more, which tax by law is the primary obligation of the Purchaser. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments.

The purchase price and transfer taxes, payable by purchasers, together with any other amounts paid by the Purchaser which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at total consideration for transfer tax and mansion tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors. (See Section N in Part I of the Plan for further discussion.)

14. No Reserve Fund/Working Capital Fund

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

15. Real Estate Taxes

The estimated real estate taxes payable in respect of each Residential Unit(s) were calculated on the assumption that the real estate taxes for the Building payable for the First Year of Building Operation, as estimated by Sponsor's real estate tax consultant, will be allocated to each Unit on the basis of their proportionate Common Interest. Upon determination of individual tax lots and individual assessments for such Residential Unit, the New York City tax authorities may allocate taxes among the Residential Units using a different methodology, and, if so, Units having the same or similar Common Interests may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax consultant and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make this determination upon the filing of tax lots. (See Sections D and S in Part I of the Plan for further discussion.)

16. Closing Fees and Costs

All legal costs, fees and expenses charged by each Purchaser's attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall also be responsible for payment of the following fees to Sponsor's closing attorneys, Kramer Levin Naftalis & Frankel LLP ("Sponsor's Closing Counsel"), in connection with the closing of title to such Purchaser's Unit: (i) the sum of $3,000 to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title to the Purchaser's Unit; (ii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (iii) if the Purchaser requests the closing to occur other than at the offices of Sponsor's Closing 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; (iv) if the closing is adjourned through no fault of Sponsor, an additional fee of $300 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; (v) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,500, payable in advance, for preparation of an assignment agreement; (vi) if Purchaser obtains mortgage financing, an additional fee of $750 to Sponsor's Closing Counsel to defray the additional costs associated therewith; (vii) upon issuance of the Resident Storage Room License, Purchaser shall pay the sum of $750 to reimburse Sponsor for a portion of its attorney processing fees; and (viii) Purchaser shall pay Sponsor's Closing Counsel the sum of $750 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code"). Purchaser may be required to pay more than one fee pursuant to the preceding sentence with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Closing Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. (See Section M and Section N in Part I of the Plan for further discussion.)

17. No Warranty

Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Notwithstanding anything contained herein, Sponsor is obligated to construct the Units and Common Elements in accordance with all applicable building codes and in accordance with the filed Plans and Specifications. (See Section O in Part I of the Plan for further discussion.)

18. Insurance

The Condominium Board is not required to obtain or maintain any insurance with respect to damage by fire or other casualty to any element of or property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and

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

19. Waiver of Diplomatic or Sovereign Immunity

Purchasers will be required to waive expressly any and all immunity from suit by Sponsor and/or the Condominium Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Condominium Board an amount equal to two years' estimated Common Charges. (See Section J and Section M in Part I of the Plan for further discussion.)

20. Certificate of Occupancy

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

Purchasers are advised that open building permits for Unit Owners' alterations to their Residential Units may impact the ability to obtain a Permanent Certificate of Occupancy.

Sponsor or the Condominium Board may therefore, in order to obtain a Permanent Certificate of Occupancy, or for any other reason, implement a moratorium on Residential Unit alterations. (See Section O in Part I of the Plan for further discussion.)

21. Terraces/Yards

Terraces and Yards are appurtenant to certain Residential Units, as identified in Schedule A and the Floor Plans set forth in Part II of the Plan. The Terraces and Yards are Limited Common Elements available for the exclusive use of the Unit Owner of the Unit to which such Terrace or Yard, as the case may be, is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations as in effect from time to time. Each Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace and/or Yard appurtenant to its Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense.

Without limiting the foregoing, Purchasers are advised that, with respect to any Residential Unit to which there is a Terrace or Yard appurtenant, the following rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof; any planting/landscaping must comply with all Legal Requirements. Unless the Condominium Board otherwise consents thereto in writing, which consent may be withheld in the Condominium Board's sole and absolute discretion, with respect to Terraces at Unit TH and Unit PH3 only, plants may not exceed the total weight allowance of 60 pounds/square foot load and 150 pounds/square foot load at all other Residential Unit Terraces, and must be planted in water-proof containers so as not to cause water leakage. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Terraces and Yards must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the Terrace or Yard walls or railing, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Terrace or Yard wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace or Yard; any appropriate furniture including tables, chair cushions and umbrellas may be left on the Terraces or Yard only if properly secured. No items can be placed on the Terrace or Yard parapet wall and/or railing. In no event shall any Unit Owner be permitted to enclose any Terrace or Yard (except to the extent that such Terrace or Yard was enclosed by Sponsor) or erect any structure on any Terrace or Yard. No portion of any Terrace or Yard may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Terrace or Yard. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Terrace or Yard. No unattended animals, which include but are not limited to dogs, cats, or birds, are allowed on any Terrace or Yard.

(See Section B in Part I of the Plan for further discussion.)

22. Resident Storage Rooms

The Resident Storage Rooms are Residential Limited Common Elements and will be licensed to individual Residential Unit Owners by Sponsor in its sole discretion. Resident Storage Rooms may not be licensed to any person, party or entity which is not a Residential Unit Owner (provided that such restriction shall not apply to Sponsor or its designees, or to the Condominium Board or its designees) and may only be used for storage purposes, or as otherwise permitted by Legal Requirements, provided that no materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Resident Storage Rooms for any lawful purpose or to change the permitted use of any unlicensed Resident Storage Rooms, subject, however, to the provisions of the Declaration. If at any time the licensee of a Resident Storage Room sells its Residential Unit, it shall simultaneously assign its license of the Resident Storage Room to another owner of a Residential Unit, and if it fails to do so, the Condominium Board shall have the right to terminate the license of the Resident Storage Room and take possession of the same, without compensation to the licensee. The foregoing restriction shall not be triggered upon a lease of a Residential Unit. The holder of Resident Storage Room License may assign its right to use the Resident Storage Room to a permitted tenant or occupant of such Owner's Unit, provided that such Unit Owner shall remain liable under the Resident Storage Room License and in no event shall such tenant or occupant be permitted to further assign such rights.

The Resident Storage Rooms are Limited Common Elements available for the exclusive use of the Unit Owner to whom such Resident Storage Room is licensed, subject to and in accordance with the Resident Storage Room License Agreement, Declaration, By-Laws and Rules and Regulations as in effect from time to time. Each Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Resident Storage Room licensed to such Unit Owner; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense.

Holders of Resident Storage Room Licenses will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot (as shown in the Floor Plans) of such Resident Storage Room, which amount shall, following the fifth anniversary of the first closing of a Residential Unit ("First Closing"), be subject to annual increases based upon the Consumer Price Index in effect on the date of the First Closing. Sponsor shall not be responsible for paying the aforementioned monthly license fee for unlicensed Resident Storage Rooms.

Sponsor reserves the right to offer as many of the Resident Storage Room Licenses as it determines in its sole discretion. In addition Sponsor reserves the right to limit the number of Resident Storage Room Licenses offered hereunder. The form of the Agreement to be used for licensing the use of such Resident Storage Rooms to individual Residential Unit Owners is included in Part II of this Plan as Exhibit 10. (See Section B in Part I of the Plan for further discussion.)

23. Floor Numbering; Cellar Space

As shown on the Floor Plans filed with the City Register's Office upon the recording of this Declaration, the floors of the Building are designated as Sub-cellar, Cellar (below grade), Floor 1 (at grade) and Floor 3-8 (with no Floor 2 since Floor 1 is a double-height space), with Main Roof and Bulkhead Roof above grade. All "Floor" references herein are in accordance with such floor designations.

24. Unit Exclusive Elevators and Townhouse Unit Frontage

There will be an elevator in each of Unit TH and Unit PH3 and a dumbwaiter in Unit TH for the exclusive use of the Unit Owner of Unit TH or Unit PH3, as applicable. Each elevator exclusively serving a Unit (and the dumbwaiter exclusively serving Unit TH) shall be deemed to be a part of such Unit exclusively served by such elevator or dumbwaiter. Each Unit Owner of Unit TH and Unit PH3 shall be responsible, respectively, at its sole cost and expense, for servicing and maintaining the elevator (and dumbwaiter, in the case of Unit TH) within such Unit Owner's Unit, provided that any elevator maintenance agreements in place must be, at all times, reasonably approved by the Board.

(See Sections A, B and E in Part I of the Plan for further discussion.)

25. Increase or Decrease in Common Interest

The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Residential Units and a corresponding decrease or increase in the Common Interest appurtenant to the Commercial Unit. In such event, the Common Interest appurtenant to each individual Residential Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Common Interest of any Residential Unit be increased as a result of any of the foregoing by more than 5% of the Common Interest of said Unit pursuant to Schedule A. (See Sections D, R and U in Part I of the Plan for further discussion.)

26. Reservation of Air/Development Rights

The Owner of the Commercial Unit has retained and expressly reserves all excess air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium

Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible or may be limited. Further, the Owner of the Commercial Unit, as a result of such reservation, may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Air Rights reserved by the Owner of the Commercial Unit will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Air Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In addition, the Owner of the Commercial Unit has no plans at this time to utilize or transfer any such excess Air Rights outside the envelope of the Commercial Unit. (See Section O entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.).

27. Building Mechanical Equipment

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

28. Floor Area

As described in Notes to Schedule A, the square foot area of the Units set forth in the floor plans and in Exhibit B to the Declaration (and Schedule A to the Plan) were obtained by using the method customarily used in New York City to measure Condominium apartments as more particularly set forth in the Architect's Report. As described in Notes to Schedule A below, the approximate square foot area of each Unit is measured horizontally on each of one or more floors from the exterior side of the exterior wall of the Building to the midpoint of the interior walls and partitions separating a Unit from another Unit or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Unit) where totally or partially contained within the Unit are not deducted from the square foot area of the Unit. The vestibule immediately to the east of the double entry doors to the Unit, which is a Common Element, measured to the centerline of the partitions defining this space, has been included in the square foot area of Unit PH1. All Terrace dimension measurements are measured horizontally from the exterior face of the Unit to which such Terrace is appurtenant to the parapets, divider screens and landscaped planters, inclusive of these elements. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Notwithstanding

the foregoing, the western edge of the 7th Floor Terrace appurtenant to Unit PH2 has been measured from the exterior face of the railing of such Terrace, inclusive of such railing, and excludes the area beyond such railing, which excluded area comprises a setback required by the New York City Landmarks Preservation Commission, and shall not be a part of such Terrace. The Yard dimension measurements are measured horizontally from exterior faces of the south and west brick walls to the east and north property lines. All Resident Storage Room dimension measurements are measured horizontally to and from the mid-point of the interior walls and partitions separating one Resident Storage Room from another Resident Storage Room, or the mid-point of the interior walls and partitions separating a Resident Storage Room from corridors, stairs, elevators or other mechanical equipment spaces, and the approximate face of the existing perimeter masonry foundation walls, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Storage Room) where completely or partially contained within the Storage Room are not deducted from the square foot area of the Storage Room. All dimensions on the Residential Units' plans/exhibits are approximate and subject to normal construction variances and tolerances. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Any floor area occupied by a Common Element bordering or within a Unit (including, but not limited to, portions of the Building's façade or exterior walls, vents, chase walls, or areas, conduits, ducts, shafts or pipes), may have been included in the computation of the floor area of a Unit, but such Common Elements are not part of such Unit. The square foot areas determined using the methodology set forth above would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield lesser actual useable floor area for each Unit), and the actual usable floor area for each Unit may be less than that set forth in Schedule A due to the use of the methodology described above. The stated method of measurement used is applicable to all Units. The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. (See Section D in Part I of the Plan for further discussion.)

29. Sponsor's Right to Use Facilities

Sponsor and its designee(s) shall have the right, until the fifth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Units). (See Section B of Part I of the Plan for further discussion.)

30. Treatment of Wood Floors

The Units will be delivered with wood floors, which should not be washed with water and need to be maintained according to the manufacturer's recommendations. Wood is also subject to changes as a result of humidity as well as chipping, scratching and cracking. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear. Standing water will cause cupping, swelling, and subsequent gapping. Relative humidity should be between thirty-five percent (35%) and sixty-five (65%) to avoid excessive shrinkage, cracking, swelling or cupping.

31. Maintenance of Stone Surfaces

Maintenance and cleaning of any stone surfaces by Residential Unit Owners should be done in accordance with the recommendations of the Marble Institute of America.

32. Special Allocation of Certain Common Expenses

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the General Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests. The Commercial Unit Owner, who will receive in certain instances greater or fewer services from the Condominium, will bear an allocated share of the expenses of the Condominium, all as described in Schedule A and Schedule B – "Projected Budget for First Year of Condominium Operation" of the Plan and Article 6 of the Condominium By-Laws. Such allocated share of expenses will result in the non-Commercial Unit Owner having to pay either higher (if fewer services are being provided to the Commercial Unit Owner) or lower (if greater services are being provided to the Commercial Unit Owner) shared expenses of the Condominium. The requirements for amending Article 6 of the Condominium By-Laws do not differ from those otherwise provided in the Condominium By-Laws.

33. Landmark Status

The Building is located in the Upper East Side Historic District, which has been designated by the New York City Landmarks Preservation Commission ("LPC"). Therefore, the Condominium is subject to the restrictions provided for in Chapter 8-A of the New York City Charter. Prior to performing any construction work at the Condominium requiring a building alteration permit issued by the New York City Department of Buildings or affecting the exterior of the Condominium, application must be made to, and approved by, the LPC for either a: (i) Permit for Minor Work; (ii) Certificate of No Effect; or (iii) Certificate of Appropriateness. The Condominium Board (and/or, in the case of landmarked areas which are a part of a Unit, if any, the applicable Unit Owner) shall assume the responsibility for the costs of maintaining and complying with the requirements of the landmark status of the Building (and/or any portion thereof) and any declaration or similar instrument which may be required and the costs associated therewith shall be a Common Expense of all Unit Owners or the Residential Unit Owners, as determined by the Condominium Board pursuant to the terms of the Condominium Documents (or an expense of the Unit Owner owning such portion of the Building, as applicable). (See Section B in Part I of the Plan for further discussion).

34. Child Safety Window Guards

Residential Unit Owners must notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in a Unit. Each Residential Unit Owner shall install at such Residential Unit Owner's expense, child safety

window guards in all windows of the Unit, as per New York City Code, and shall not remove them until permitted by law and, in any event, without the full knowledge of the Managing Agent.

35. The Commercial Unit

The Commercial Unit Owner shall be obligated at all times to maintain all necessary permits and approvals required by the New York City Department of Buildings in connection with the Commercial Unit Owner's use, operation and alteration of the Commercial Unit, and, if required by applicable Legal Requirements, will cause the certificate of occupancy as it pertains to the Commercial Unit to be duly amended in the event of an alteration, subdivision, or combination of all or any portion of the Commercial Unit as may be permitted under the terms of the Condominium Documents.

36. Tenant Protection Plan

As required under Section 28-104.8.4 of the New York City Building Code ('New Code' as enacted 2008), since the Building is expected to be occupied by tenants and/or Unit Owners prior to the time when a permanent Certificate of Occupancy can be obtained, a tenant protection plan will be distributed to each occupant who will be occupying any dwelling units of the Building during construction.

37. Certification by Sponsor and Sponsor's Principals

Exhibit 8A in Part II of this Plan includes a certification by Sponsor and Sponsor's principals (the "Sponsor Certification") pursuant to Section 20.4(b) of the regulations issued pursuant to General Business Law, Article 23-A, as amended (the "Martin Act"). Sponsor's principals have executed the Sponsor Certification for compliance with the Martin Act and governing regulations. Consistent with a recent First Department decision, Sponsor's principals expressly disclaim the existence of any private right of action for contract claims by individual Unit Owners (or the Condominium Board, on their behalf) in connection with or arising solely from their execution of the Sponsor Certification, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et. al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

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PART I

A. INTRODUCTION

JZS MADISON, LLC, a New York limited liability company ("Sponsor"), hereby presents this Offering Plan (the "Plan") for the establishment of condominium ownership of the Land, Building and appurtenances thereto, situated at the northeast corner of East 74th Street and Madison Avenue, and known by the street address of 33 East 74th Street, New York, New York 10021. The condominium will be known as the "33 East 74th Street Condominium" and is herein called the "Condominium."

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

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I of the Plan sets forth a general description of the offering and the rights and obligations of Sponsor and the Unit Owners. Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property and certifications by Sponsor, Sponsor's architect and Sponsor's financial experts. In addition to the Plan, Sponsor has filed separately with the Department of Law certain exhibits to the Plan which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information).

The Plan, including all Schedules set forth herein, and Parts A, B, C and D of the exhibits, together constitute the entire offer of Sponsor to sell the Residential Units at the Condominium which are the subject of this Plan. Sponsor shall not make, and has not authorized any other party to make, any oral representations or statements concerning this Plan, and no such representations or statements shall be considered part of this Plan. No information, data or representations other than those contained herein or in the documents annexed hereto as exhibits in Part II of this Plan may be relied upon. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge, and for copying at a reasonable charge (i) at the Condominium's Sales Office by appointment, and (ii) at the Department of Law, 120 Broadway, New York, New York 10271.

The Condominium will be organized pursuant to Article 9-B of the Real Property Law of the State of New York, as amended, commonly known as and hereinafter referred to as the "Condominium Act." The Condominium is subject to and will comply with all statutes and regulations applicable to condominiums in the State of New York.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND

TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.

1. **The Property**

The Land consists of an approximately 12,621 square foot parcel, and the existing improvements located at 33 East 74th Street, New York, New York. Sponsor acquired the Land and the existing improvements thereon on October 14, 2010. Sponsor intends to completely renovate and enlarge upon the improvements on the Land, including, but not limited to, constructing a new building core, elevators and fire stairs so that the Property will ultimately encompass one (1) seven-story building (the "Building") with two cellar levels (identified as cellar and sub-cellar) below grade. The Building, as more specifically described herein, upon completion of construction, will constitute the Condominium and include:

(a) 10 residential apartments (the "Residential Units") located within the Building, portions of the cellar level and on Floors 1 through 8 (with no floor being designated 2), together with the residential entrance and lobby on Floor 1 and certain other Common Elements, will be operated as a luxury condominium apartment building;

(b) the Commercial Unit, located on the cellar level and Floor 1, which Sponsor currently anticipates will initially be used for retail purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time;

(c) 10 Resident Storage Rooms, located on the sub-cellar level which will remain Residential Limited Common Elements;

(d) Facilities currently anticipated to include the Fitness Room and Bicycle Storage, located in cellar and sub-cellar level, respectively, for use solely by occupants of Residential Units; and

(e) various utility and service areas located throughout the Building.

Based upon the construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about March 2015. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by

six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after March 2015, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in Section H of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

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

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

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

2. Features of Condominium Ownership

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

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

As more particularly set forth in the By-Laws, a Residential Unit may generally be used only as a residence and, subject to compliance with the By-Laws and applicable laws, for a lawful home occupation. The Commercial Unit (not offered hereby) may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial or office purposes. The Condominium Board will have no right to restrict or limit any of the uses of, or

alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. Section 6 of the By-Laws provides that the Commercial Unit may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. It is currently anticipated that the Commercial Unit will initially be used for retail purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners. (See Part I, Section G for further discussion.)

Although the Condominium Board does not have the right to approve or disapprove purchasers in connection with a Unit Owner's sale of their Unit, with certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit, as the case may be, on the same terms as were offered by the Residential Unit Owner to the potential purchaser or lessee thereof. This right of first refusal in favor of the Condominium Board is not applicable to a sale or lease of the Unsold Units. It is also not applicable to the sale or lease of the Commercial Unit. For a more complete discussion of the foregoing, see Section R entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan.

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

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

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

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

their Residential Units and for complying with Legal Requirements applicable to their Residential Units, all at their own expense.

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

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

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

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

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; and

(b) "qualified residence interest" paid by such Residential Unit owner with respect to such Residential Unit.

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

The Condominium Board will be responsible for maintaining casualty and liability insurance (excluding terrorism and mold coverage), with respect to the entire Building (including each Unit but excluding fixtures, furniture, furnishings, improvements, decorations, appliances within a Unit and other personal property not constituting part of the Unit), together with all service machinery contained therein, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board of Managers" in Part I, Section R for a more complete discussion. The Condominium Board is not required to obtain or maintain any insurance with respect to damage by fire or other casualty to any element of or property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements appurtenant thereto. Consequently, all Residential

Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive to his or her Unit. In addition, all Residential Unit Owners are urged to obtain casualty insurance with respect to the fixtures, furniture, furnishings, improvements and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Condominium Board will be on a "replacement cost" and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Condominium Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

3. **Offering of Units for Sale**

Sponsor hereby offers 10 Residential Units for sale under the Plan. The Commercial Unit is not being offered for sale hereunder at this time. No representation or warranty is made (other than as expressly set forth in this Plan) as to who the owner or tenant(s) of the Commercial Unit may be at any time or the uses to which such Commercial Unit may be put at any time; and no income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners.

There are no limitations on who may purchase such offered Units. However, 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 Unit Owner or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, age, marital status or national origin, or as otherwise prohibited by applicable Legal Requirements.

The prices for the Units offered under the Plan are listed on Schedule A, entitled "Schedule of Purchase Prices and Other Financial Details for March 1, 2015 to February 29, 2016, the Projected First Year of Condominium Operation." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, to rent or lease, rather than sell, the Units offered hereunder. There are no limitations of any kind on Sponsor's right to rent rather than sell Units. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the fifteen (15%) percent of Units necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the condominium. As of the date hereof, all of the Residential Units are vacant.

In the event Sponsor makes a bulk sale of the Units, the transferee is entitled to and bound by those additional rights and obligations (including the aforementioned representation

regarding good faith efforts to sell the Units) applicable to a "sponsor" as more fully described in the Plan.

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

Schedule A sets forth the estimate for the amount of real estate taxes which will be payable with respect to each Unit during the fiscal tax year from March 1, 2015 to February 29, 2016. See Notes to Schedule A hereof with respect to the basis of such estimate.

The Owner of the Commercial Unit hereby expressly reserves any air rights or transferable development rights benefiting the Property. (See Section O, Part I of the Plan for further discussion.)

Sponsor has filed an application to test the market (CP13-0007). As of the date of the acceptance of this Plan for filing, no contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Units offered in this Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Units.

4. Offering of Resident Storage Room Licenses

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the Resident Storage Rooms pursuant to a license agreement (each such license being a "Resident Storage Room License"). The form of the Agreement to be used for licensing the use of such Resident Storage Rooms to individual Residential Unit Owners is included in Part II of this Plan as Exhibit 10.

The price for each Resident Storage Room License is listed on Schedule A entitled "Schedule of Purchase Prices and Other Financial Details for March 1, 2015 to February 29, 2016." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Holders of Resident Storage Room Licenses will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot (as shown in the Floor Plans) of such Resident Storage Room, which amount shall, following the fifth anniversary of the first closing of a Residential Unit ("First Closing"), be subject to annual increases based upon the Consumer Price Index in effect on the date of the First Closing. Sponsor shall not be responsible for paying the aforementioned monthly license fee for unlicensed Resident Storage Rooms.

Sponsor reserves the right to offer as many of the Resident Storage Room Licenses as it determines in its sole discretion. In addition Sponsor reserves the right to limit the number of Resident Storage Room Licenses offered hereunder. Sponsor reserves the right for itself and its designees to use any unlicensed Resident Storage Rooms for any lawful purpose or to change the permitted use of any unlicensed Resident Storage Rooms, subject, however, to the provisions of the Declaration.

5. **Certain Definitions**

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

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

Bicycle Storage: This space located in the sub-cellar of the Building and designated on the Floor Plans as such, will contain bicycle storage for approximately eight (8) bicycles for the exclusive use of the residents at no additional charge, on a first-come, first-served basis, provided however, that no Residential Unit Owner or tenant thereof may store more than one bicycle in the Bicycle Storage area at any given time.

BSA: New York City Board of Standards and Appeals.

Building: The new building and other improvements to be located on the Land and commonly known as 33 East 74th Street, New York, New York.

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

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

Commercial Unit: The Unit designated in the Declaration as a Commercial Unit, as the same may be subdivided or combined in accordance with the Declaration and/or By-Laws.

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

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

Common Elements: The entire property, including the Land and all parts of the Building and other improvements thereon, other than the Units. The Common Elements include, among

other things, the foundations, roofs and supports of the Building and all areas, equipment or facilities for the common use of all or some of the Units or all or some of the Unit Owners. The Common Elements include the General Common Elements and the Residential Limited Common Elements.

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

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

Condominium: 33 East 74th Street Condominium.

Condominium Board: The board of managers of the Condominium.

CPI Increase Factor: An increase proportionate to any increase in the cost of living from the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Condominium Board.

Declaration: The instrument creating the Condominium, the form of which is set forth in Part II of the Plan as Exhibit 6.

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

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

First Year of Condominium Operation. The 12-month period commencing on the date of the First Closing, currently anticipated to be the period from March 1, 2015 to February 29, 2016.

Fitness Room: This space located on the cellar level of the Building and designated on the Floor Plans as such, which will contain various pieces of exercise equipment and a unisex restroom for the exclusive use of the residents of the Building.

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

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

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

Land: The land situated at the northeast corner of East 74th Street and Madison Avenue comprising the parcel commonly known as 33 East 74th Street, New York, New York, as further and more particularly described in the Declaration.

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

LPC: Landmarks Preservation Commission.

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

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

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

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

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

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

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

Resident Storage Room: The storage rooms located in the sub-cellar level of the Building which will be for the exclusive use of the Unit Owners to whom such Resident Storage Rooms are licensed, and which constitute Residential Limited Common Elements. All such storage rooms are, collectively, referred to as the "Resident Storage Rooms."

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

Residential Passenger Elevators: The two (2) passenger elevators, which are Residential Limited Common Elements, as designated on the Floor Plans, and which service all of the Residential Units.

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

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

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws and attached thereto as Schedule A, as the same may be amended from time to time in accordance with the applicable provisions of the By-Laws. The Rules and Regulations are applicable to and binding upon the Residential Unit Owners and occupants of the Residential Units only, and are not applicable or binding upon the Commercial Unit Owner or its occupants.

Sales Office: The sales office for the Condominium, at a location to be designated by the Selling Agent from time to time.

Selling Agent: Douglas Elliman, having an address at 575 Madison Avenue, New York, New York 10022.

Sponsor; Sponsor or its designee; or similar phrases: Sponsor, any affiliate of Sponsor or a designee of Sponsor. An affiliate of Sponsor shall be deemed to be (i) a person or entity who or which owns 25% or more of the legal or beneficial interest of Sponsor or (ii) an entity with respect to which Sponsor owns 25% or more of the legal or beneficial interest. Sponsor shall not be deemed to include a selling agent who has complied with Section 359-e of the GBL or an attorney or other expert retained by Sponsor solely to render professional advice or opinions in connection with this offering. Sponsor shall also be deemed to include Owners of at least ten (10) units or 20% of the total number of the Units in the Condominium, whichever is less, which are not purchased for occupancy by the Owner or one or more members of his or her immediate family; such Sponsor will be deemed, however, to be a Sponsor with the obligations of a Sponsor only in relationship to the Units which such Sponsor owns.

Sponsor's Office: The office of Sponsor located at 780 West End Avenue, 1E, New York, New York 10025 or any other office regularly maintained by Sponsor in the City of New York.

Terrace: Any of the terraces appurtenant to a Residential Unit as shown on the Floor Plans, including, without limitation, any of the roof terraces appurtenant to the Townhouse Unit.

Title Company: Royal Abstract of New York LLC (500 Fifth Avenue, New York, New York 10110; Attn.: Martin Kravet; (212) 376-0900) or such other or additional company/ies designated by Sponsor in an amendment to this Plan.

Townhouse Unit: The Unit designated on Schedule A as Unit TH.

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

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

Unsold Units: Any Residential Unit or other Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or any of its designees as the holder of one or more Unsold Residential Units or other Units; any Residential Unit or other Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Residential Unit or other Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage. All or any of such Units are collectively referred to as the "Unsold Units."

Yard: The rear yard appurtenant to Unit TH, as shown on the Floor Plans.

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

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meanings ascribed thereto in the By-Laws or in the Declaration, as the case may be. Unless the context otherwise requires, words used in the singular include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

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B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

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

1. The Building

The Building is located on the Land, situated at the northeast corner of East 74th Street and Madison Avenue. The Land has a frontage of approximately 125 feet on East 74th Street and approximately 100 feet, eight inches on Madison Avenue, and is designated as Block 1389, Lot 25 on the Tax Map of the Borough of Manhattan.

The Building will be partially rehabilitated and partially newly constructed and will contain 10 Residential Units, 10 Resident Storage Rooms and 1 Commercial Unit. The residential lobby will have a main entrance on Floor 1 from East 74th Street. The common areas in the cellar of the Building are currently anticipated to include the Fitness Room. The common areas in the sub-cellar of the Building are currently anticipated to include the Bicycle Storage room and Resident Storage Rooms. The sub-cellar will also contain building management support spaces, and plumbing, mechanical and electrical rooms. The Commercial Unit, located on a portion of the cellar level of the Building and a portion of Floor 1, is currently anticipated to initially be used for retail purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time.

Sponsor intends to completely renovate and enlarge the existing buildings on the Land, including but not limited to, constructing a new building core, elevators and fire stairs, so that the Property will ultimately encompass one (1) seven-story building with two cellar levels (identified as cellar and sub-cellar) below grade. The Building will contain a mechanical floor above its uppermost residential floor, and will measure approximately 90 feet, 8 inches in elevation at its highest point.

The construction of the Building is classified as being of Class I non-combustible construction, while the existing buildings are classified as being of Class II non-combustible construction. The existing building(s) are supported on shallow foundations bearing on rock. Foundations of the new building will consist of shallow foundations bearing on rock. The new below grade slab will be soil-supported slab-on-grade. The superstructure of the existing building(s) is a terracotta arch floor system supported on steel beams and girders supported by cast iron columns and masonry bearing walls on spread footings. Modified areas of the existing building(s) will be concrete on steel deck supported by steel beams and girders. The addition on top of the existing buildings will be new steel framing and concrete on metal deck. The new structural system will be a cast in place concrete flat plate with concrete shear walls as the lateral system, supported on spread footings and mat foundations. The main roof and roof terraces at the Building will be comprised of a fluid-applied waterproofing membrane assembly over concrete slab under rigid insulation and precast concrete pavers supported by pedestals. The elevator and egress stair bulkhead roof will be comprised of a two-ply modified bitumen

waterproof membrane above rigid insulation. The exterior facades of the existing building(s) are primarily constructed with common brick back up wall faced with brownstone, brick or stone cladding. New infill and setback facades will be constructed with either a terracotta 'rainscreen' system or a metal panel system and insulation anchored to concrete block back up wall. The additions on top of the existing building(s) will be constructed of either metal stud framing and sheathing or concrete block back up, faced with brick anchored to metal studs or block.

Sponsor has engaged Beyer Blinder Belle Architects & Planners, LLP, as architect of record. In addition, Cosentini Associates has been retained as mechanical and electrical engineer, Desimone Consulting Engineers, as structural engineer, and New Line Structures Inc. as construction manager (see "Identity of Parties" in Part 1, Section Y). The Plans and Specifications for the Building have been prepared by Beyer Blinder Belle Architects & Planners, LLP, in consultation with such other professionals.

The Condominium is located within the C5-1, Special Madison Avenue Preservation District and R8B (LH-1A), which district permits residential use of all Residential Units at the Building. The zoning district classifications pertaining to the Condominium permit the construction of the Building and the residential and commercial uses contemplated therein. However, the Building as designed did not comply with certain zoning regulations. On October 23, 2012, the New York City Board of Standards and Appeals ("BSA") approved the grant of a variance pursuant to Zoning Resolution Section 72-21 to permit the conversion of use and enlargement of the existing buildings that will comprise the Building and the associated waiver or modification of zoning regulations providing, among other things, that the Condominium be developed in accordance with the BSA approved plans. A copy of the BSA Resolution was filed with the Department of Law along with other exhibits filed simultaneously with this Plan.

Since the Building is located in the Upper East Side Historic District which has been designated by the New York City Landmarks Preservation Commission ("LPC"), the Condominium is subject to the restrictions provided for in Chapter 8-A of the New York City Charter. Prior to performing any construction work at the Condominium requiring a building alteration permit issued by the New York City Department of Buildings or affecting the exterior of the Condominium, application was made to, and approved by, LPC for a Certificate of Appropriateness. LPC issued a Certificate of Appropriateness for the alteration and enlargement of the existing buildings that will comprise the Building on October 2, 2012. The Certificate of Appropriateness provides that LPC must review and approve the building drawings for submission to the Department of Buildings before any work begins. A copy of the Certificate of Appropriateness was filed with the Department of Law along with other exhibits filed simultaneously with this Plan.

Pursuant to the Declaration dated March 20, 2006, made by the Whitney Museum of American Art, the prior owner of the Land, and recorded in the New York County Office of the City Register on April 5, 2006 as CRFN 2006000188439 (the "Restrictive Declaration"), Sponsor was obligated to perform a subsurface investigation of the Land to determine whether contaminants are present and to remediate any such contaminants, if any exist, and satisfactorily complete any such work, if needed. Pursuant to the Restrictive Declaration, until any such requirements are satisfied, the Department of Buildings cannot issue (i) permits for any grading, excavation, foundation, alteration, building or other work involving soil disturbance at the

Property; or (ii) temporary or permanent certificates of occupancy for the Property. Sponsor has complied with and will continue to comply with the requirements of the Restrictive Declaration during completion of construction of the Building.

Construction of the Building, including the individual Units, will be completed substantially in accordance with the Plans and Specifications (as approved by BSA and LPC), and otherwise in accordance with the Zoning Resolution (including approved variances thereof pertaining to the Building), the Building Code of The City of New York, the Restrictive Declaration, and all other applicable Legal Requirements. However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth therein or in Exhibit 4 in Part II of the Plan, items of substantially equal or better quality, provided, however, that any material change shall be set forth in an amendment to the Plan, that any necessary approval of any governmental authority having jurisdiction is first obtained, and that no such amendments, modifications or substitutions may be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer any materially adversely affected Purchaser(s) the right, for at least 15 days after the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.)

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

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the floor plans. With regard to size, note that there is a rebuttable presumption that a reduction in Unit area of 5% or less is not material.

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

Based upon the construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about March 2015. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after March 2015, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

2. Residential Units

There will be a total of 10 Residential Units located within the Building, on portions of the cellar level and on Floors 1 through 8 (with no floor being designated 2) of the Building. The Residential Units vary in size from 3,851 square feet to 10,088 square feet and including a mix of three-, four- and five-bedroom apartments. Detailed descriptions of the Residential Units are set forth in the Declaration and in Exhibit 4 in Part II of the Plan. Exhibit 4 also includes a detailed description of the fixtures, finishes, appliances and equipment included in each Residential Unit.

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

3. Commercial Unit

The Condominium will also initially include 1 Commercial Unit, which will be located on portions of the cellar level and Floor 1 of the Building. The Commercial Unit (not offered hereby) may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial or office purposes. The Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefront thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. It is currently anticipated that the Commercial Unit will initially be used for retail purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners.

Subject to the foregoing and all applicable zoning regulations and the Declaration and By-Laws, the Commercial Unit may be sold, leased or subleased by the Commercial Unit Owner thereof, or subdivided by the Commercial Unit Owner into two or more separate commercial condominium units and such subdivided units sold or leased. (See "Commercial Unit" in Part I, Section G hereof.) None of the Residential Unit Owners or the Condominium Board will have any interest in the rents, profits or revenues from the rental or use of any space in such Commercial Unit.

The Owner of the Commercial Unit has retained and expressly reserves all excess air or development rights (collectively, the "Air Rights") otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in the Plan.

Although it is currently anticipated that Sponsor will retain ownership of the Commercial Unit, no representation is made with respect to the type or identity of the owners, tenants or

occupants of any portion of the Commercial Unit at any time, or the purposes for which any portion of the Commercial Unit may be used at any time, except as provided in Section 6 of the By-Laws.

4. **Resident Storage Rooms**

The Resident Storage Rooms are Residential Limited Common Elements and will be licensed to individual Residential Unit Owners by Sponsor in its sole discretion. Resident Storage Rooms may not be licensed to any person, party or entity which is not a Residential Unit Owner (provided that such restriction shall not apply to Sponsor or its designees, or to the Condominium Board or its designees) and may only be used for storage purposes, or as otherwise permitted by Legal Requirements, provided that no materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Resident Storage Rooms for any lawful purpose or to change the permitted use of any unlicensed Resident Storage Rooms, subject, however, to the provisions of the Declaration. If at any time the licensee of a Resident Storage Room sells its Residential Unit, it shall simultaneously assign its license of the Resident Storage Room to another owner of a Residential Unit, and if it fails to do so, the Condominium Board shall have the right to terminate the license of the Resident Storage Room and take possession of the same, without compensation to the licensee. The foregoing restriction shall not be triggered upon a lease of a Residential Unit. The holder of Resident Storage Room License may assign its right to use the Resident Storage Room to a permitted tenant or occupant of such Owner's Unit, provided that such Unit Owner shall remain liable under the Resident Storage Room License and in no event shall such tenant or occupant be permitted to further assign such rights.

The Resident Storage Rooms are Limited Common Elements available for the exclusive use of the Unit Owner to whom such Resident Storage Room is licensed, subject to and in accordance with the Resident Storage Room License Agreement, Declaration, By-Laws and Rules and Regulations as in effect from time to time. Each Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Resident Storage Room licensed to such Unit Owner; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense.

Sponsor reserves the right to offer as many of the Resident Storage Room Licenses as it determines in its sole discretion. In addition Sponsor reserves the right to limit the number of Resident Storage Room Licenses offered hereunder. The form of the Agreement to be used for licensing the use of such Resident Storage Rooms to individual Residential Unit Owners is included in Part II of this Plan as Exhibit 10.

The price for each Resident Storage Room License is listed on Schedule A entitled "Schedule of Purchase Prices and Other Financial Details for March 1, 2015 to February 29, 2016." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Holders of Resident Storage Room Licenses will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot of space (as reflected in the Floor Plans) of such Resident Storage Room, which amount shall, following the fifth anniversary of the first closing of a Residential Unit ("First Closing"), be subject to annual increases based upon the Consumer Price Index in effect on the date of the First Closing. Sponsor shall not be responsible for paying the aforementioned monthly license fee for unlicensed Resident Storage Rooms.

5. **Terraces/Yards**

As indicated in Schedule A, Terraces and/or Yards are appurtenant to certain Residential Units. Each Terrace and Yard is a Residential Limited Common Element. The Residential Unit Owner of a Residential Unit having a Terrace or Yard shall have the exclusive use of the Terrace or Yard, as the case may be, appurtenant thereto, subject to the right of the Condominium Board to regulate its use in accordance with the By Laws and the Rules and Regulations; and such Residential Unit Owner shall be responsible for all normal maintenance, repairs and replacements to such Terrace or Yard. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Terrace and/or Yard (unless caused by or attributable to the Residential Unit Owner thereof) shall be charged to all Residential Unit Owners as a Common Expense.

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

6. **Common Elements**

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration) and all parts of the Building other than the Units themselves, including, generally, the foundations, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all the Units or Unit Owners; and (ii) the Residential Limited Common Elements, which are, generally, those Common Elements which serve or benefit exclusively the Residential Units, or the Residential Unit Owners. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium

Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Exhibit 4 and 5 in Part II of the Plan and Article 7 of the Declaration (Exhibit 6 in Part II of the Plan).

a. **General Common Elements**

The General Common Elements consist of all Common Elements other than the Residential Limited Common Elements, and include, among other things, the following: (i) the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration); (ii) all structural elements, foundations, foundation walls, windows, main roof, bulkhead roof and all building roofs (except as otherwise expressly provided in the Declaration), footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings; (iii) all structures on any roof of the building, which benefit all or any combination of the Residential Units and the Commercial Unit; (iv) all halls, passages and corridors, storage rooms (excluding Resident Storage Rooms), housekeeping areas, mechanical and other utility rooms, all fire staircases, landings, lobbies and stairs, areas and spaces (including their respective floors, ceilings and enclosed walls) located in the Building, serving or benefiting all of any combination of the Residential Units and the Commercial Unit; (v) any ventilation system consisting of pumps, motors, ductwork, fans and controls return piping, serving or benefiting any combination of the Residential Units and the Commercial Unit; (vi) hot water and condenser water systems serving or benefiting all or any combination of the Residential Units and the Commercial Unit; (vii) all mechanical equipment and associated piping and controls and all electrical transfers and equipment serving or benefiting any combination of the Residential Units and the Commercial Unit; (viii) all electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards serving or benefiting any combination of the Residential Units and the Commercial Unit, excluding, however, all such items located within a Unit and serving only that Unit; (ix) all plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot and chilled water, including pumps, valves, pressure reducers, meters and water heaters and chillers, excluding, however, all such items located within a Unit and serving only that Unit; (x) all storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit; (xi) all electric service rooms, gas, steam and water meter rooms, generator rooms, Building storage rooms (not including the Resident Storage Rooms), workrooms, locker rooms, telephone rooms and other service, mechanical and utility rooms serving or benefiting any combination of the Residential Units and the Commercial Unit; (xii) all other parts, systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of any combination of the Residential Units and the Commercial Unit; (xiii) all other parts of the Property either existing for the common use of all or any combination of the Residential Units and the Commercial Unit or Unit Owners or that serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Property or all or any combination of the Residential Units and the Commercial Unit; (xiv) all loading/receiving areas, egress stairs and corridors; and the exterior space at the Building entries consisting of any stairs, railings, lighting and other electrical equipment, marquees, canopies and ornamental fixtures, planters and other freestanding structures; excluding, in all instances, such of these as only serve

the Residential Units or Residential Unit Owners, and excluding such of these as are located within the Commercial Unit; (xv) enclosing walls and doors surrounding mechanical equipment; all utilities and mechanical and electrical transfers and equipment used for all or any combination of the Residential Units and the Commercial Unit; (xvi) with respect to any roof of the Building, egress stairs servicing all or any combination of the Residential Units and the Commercial Unit and their enclosing walls and doors and all mechanical equipment serving same; (xvii) smoke detection, alarm system, and sprinkler system; telephone system and cable system, except as located within an individual Residential Unit; (xviii) all security monitors and equipment and other security facilities serving or benefiting all or any combination of the Residential Units and the Commercial Unit; (xix) except as otherwise set forth herein, the General Common elements also include the installations, equipment, apparatus, facilities, exterior walls, interior walls, doors, partitions, floors, roofs, ceilings hallways, lobbies, corridors and vestibules that enclose or service any one of the Units but are not part of such Unit; (xx) the two (2) existing exterior areaways located at the cellar level and Floor 1 on the side of the Building facing East 74th Street; and (xxi) all other parts of the Property either existing for the common use of any combination of the Residential Units and the Commercial Unit, or their respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Article 7 of the Declaration (Exhibit 6 in Part II of the Plan).

b. **Residential Limited Common Elements**

The Residential Limited Common Elements consist of the following: (i) all Terraces (including, without limitation, the roof terraces appurtenant to Unit TH (the "Townhouse Unit"), the rear yard (the "Yard") appurtenant to Unit TH and Resident Storage Rooms; (ii) the façades of the Building immediately outside the Residential Units and other Residential Limited Common Elements outlined herein, but excluding the façade immediately outside the Commercial Unit, which is a part of such Unit; (iii) to the extent shown on the Floor Plans as Residential Limited Common Elements, the residential lobby and entrances (including the two separate Unit TH entrances and the vestibule leading to the residential lobby as well as the residential service entrance) located on East 74th Street, the mail room, package room and storage area located at Floor 1, the two passenger elevators each serving all of the Residential Units (the "Residential Passenger Elevators"), in each case including the shafts, elevator equipment, elevator pits and entrances and appurtenant facilities; (iv) the Residential Passenger Elevators which are shown on the Floor Plans as Residential Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements); the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Residential Units and/or on which the Residential Units are located, whether or not specifically identified on the Floor Plans as part of the Residential Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit; (v) those stairs and stairways in the Building shown on the Floor Plans as Residential Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or

Unit) the residential lobby and entrance located on Floor 1 of the Building; (vi) all other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits all or a combination of the Residential Units or the Residential Unit Owners; (vii) all structures on any roof of the Building which exclusively serve all or a combination of the Residential Units or the Residential Unit Owners; (viii) those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to all or a combination of the Residential Units; (ix) the Bicycle Storage, staff room, wash room, maintenance office, trash compactor room, janitor's closet, corridor directly outside the Resident Storage Rooms, elevator machine rooms and utility room, all located on the subcellar level of the Building and exclusively serving all or a combination of the Residential Units; (x) the Resident Storage Rooms located at the subcellar level of the Building; (xi) the Fitness Room and bathroom located on the cellar level of the Building; and (xii) all security monitors and equipment and other security facilities exclusively serving or benefiting all or any combination of the Residential Units.

7. **Available Services and Facilities**

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Residential Unit Owners at no cost other than Common Charges; these are described below in the Section entitled "Building Standard Services and Facilities". The Condominium Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

a. **Building Standard Services and Facilities** (provided to all Residential Unit Owners at no cost other than the Common Charges payable by Residential Unit Owners):

(i) Fitness Room. This space will contain various pieces of exercise equipment for the exclusive use of the residents (including cardiovascular machines and weights) as well as a unisex restroom.

(ii) Bicycle Storage. This space will contain bicycle storage for approximately eight (8) bicycles for the exclusive use of the residents at no additional charge, on a first-come, first-served basis, provided however, that no Residential Unit Owner or tenant thereof may store more than one bicycle in the Bicycle Storage area at any given time.

(iii) Concierge. The concierge is expected to open doors, hail taxicabs and assist residents with packages and luggage when on duty.

(iv) Package Room. There will be a package room and storage room with a refrigerator and freezer located at Floor 1. The concierge will accept deliveries of small packages and store them temporarily in the package room until picked up by the Unit Owner or occupant.

(v) Elevator Service. The passenger elevators in the Building which service all of the Residential Units (the "Residential Passenger Elevators") will be automatically operated and therefore will be in service as necessary, 24 hours per day, seven days per

week. There will be an elevator in each of Unit TH and Unit PH3 for the exclusive use of the Unit Owner of Unit TH and Unit PH3, respectively. Additionally, there will be a dumbwaiter in Unit TH for the exclusive use of the Unit Owner of Unit TH.

(vi) Communications Facilities, Intercom Service, and Internet connection. The Building will be provided with a video/intercom system operates through voice/data wiring in each Residential Unit, in conjunction with a resident-provided telephone instrument. This system will enable the occupants of each Residential Unit to communicate directly with the concierge and/or front desk regarding the admission of guests and visitors upon their arrival at the Building. Each Residential Unit will also be wired to accommodate telephone and internet services, although Sponsor makes no representation whatsoever regarding the rates to be charged to Unit Owners or the availability of such services.

(vii) Mail. All incoming mail will be delivered by the United States Postal Service to individual mailboxes for each of the Residential Unit Owners located in or adjacent to the residential lobby.

(viii) Maintenance Personnel. Building personnel will include porters and a resident manager.

(ix) Refuse Disposal. There will be one trash chute in the public corridor accessible on Floors 3 through 8 of the Building, which will lead directly to a compactor located in the compactor room at the sub-cellar level of the Building. Recycling bins will be provided on each residential floor and will be emptied as necessary by Building staff, which recyclable refuse will be stored in recycling bins at the sub-cellar level of the Building. Building staff will transfer the refuse from the compactor room and recycling bins, as applicable, to the sidewalk as needed pending collection by the City of New York Department of Sanitation. The Commercial Unit Owner will be responsible, at their sole cost and expense, for storing and disposing of their refuse in a manner which complies with all applicable Legal Requirements.

(x) Other Service Contracts. Certain additional services covered by third-party contracts, such as Residential Passenger Elevator maintenance are included in Building standard services. All Residential Passenger Elevators will be included in the elevator maintenance contract (or contracts) entered in by the Condominium Board on behalf of all Unit Owners for the Building.

(xi) Security Procedures. All common entrances to the Building will be monitored by employees of the Condominium and/or electronic alarm systems. Closed circuit television cameras will be provided in certain locations with viewing monitors at the concierge's desk. The cameras will be designed to cover the immediate area within the view of the cameras, and will not necessarily cover all entrance areas of the Building. The entrance to Unit TH may not be monitored by Condominium employees or systems. No representation or warranty is made and no assurance is given that the security systems and procedures of the Building will prevent personal injury or damage to or loss of personal property.

(xii) Carbon Monoxide Detectors. The City of New York requires the installation of carbon monoxide detectors in each Residential Unit by the owners of multiple dwellings. In compliance therewith, each Residential Unit will be equipped with a carbon monoxide detector.

b. **General Provisions Concerning Services and Facilities**

No representation or warranty is made as to the continued operation or existence of any of the foregoing services or facilities once Sponsor is not in control of the Condominium Board. Neither Sponsor nor the Condominium Board shall have any liability with respect to the amount of the fees charged therefor.

In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will change from time to time, in the discretion of the Condominium Board, the Managing Agent or other party providing the service. However, all services required by law will be provided at all times. Neither Sponsor, the Managing Agent, the Selling Agent nor the Condominium Board will in any event be liable for the availability, interruption, discontinuance or quality of any of such services, including, but not limited to, any services provided by any outside company or person, other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury or damage occurs as a result of the gross negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent or the Condominium Board, as the case may be.

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

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

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Residential Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Residential Unit Owners within their Residential Units (to perform custom renovations or build-outs, etc.); and (iii) the Commercial Unit Owner to complete construction, build-out, furnishing and equipping their Units. During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of construction, fitting out of, and moving into, the Residential Units and other portions of the Building. Residential Passenger Elevators and personnel may be taken out of service and diverted to facilitate construction and exterior hoists may be in place during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Residential Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the residential lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Residential Unit Owners (e.g., the Fitness Room, Bicycle Storage, etc.) may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Residential Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

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

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C. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is situated at 33 East 74th Street, New York, New York 10021, at the northeast corner of East 74th Street and Madison Avenue. A variety of universities, museums, libraries, theaters and cultural institutions are within a short distance from the Building.

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

Transportation to and from the Building, and throughout New York City, is available by taxi, limousine, private automobile, subway or bus. The cross-town M72 bus, and the north-south M1, M2, M3 and M4 buses pass within two blocks of the Building. Subway service is available close by on the 4 line at the East 77th Street and Lexington Avenue Station.

The Building offers access to the major arteries connecting Manhattan to all boroughs of New York City, Westchester County, Long Island, Upstate New York, New Jersey, Connecticut and the three major airports servicing the New York Metropolitan Area.

Cultural activities in and around the Upper East Side neighborhood of Manhattan include the Metropolitan Museum of Art and the Guggenheim Museum. Nearby restaurants include Via Quadronno and Café Boulud. Hotels in the area include The Carlyle, The Mark Hotel and The Surrey Hotel.

A number of medical centers, such as Lenox Hill Hospital, New York-Presbyterian Hospital, Mount Sinai Hospital, Memorial Sloan-Kettering, and New York University Medical Center, are a short distance from the Building.

All public services, including schools, police protection, library, street maintenance, social services, water and fire protection are provided by The City of New York. East 74th Street and Madison Avenue are dedicated New York City roads. The nearest police precinct headquarters is the 19th Precinct, located at 153 East 67th Street. Fire protection is provided from Engine #44 located at 221 East 75th Street.

The Building is located in Public School District No. 2, which contains PS6, located at 45 East 81st Street, JHS 167 – Robert F. Wagner is located at 220 East 76th Street and Eleanor Roosevelt High School is located at 411 East 76 Street. There are several public high schools with various specialties available within the City of New York with entrance by competition or examination, such as the High School for Performing Arts, Stuyvesant High School and Bronx High School of Science. Private schools in close proximity to the Building include The Nightingale-Bamford School, The Spence School, The Dalton School, The Buckley School and The Allen Stevenson School. Sponsor, however, makes no guaranty or representation as to which school a child residing at the Building may actually attend. Many religious faiths have congregations within walking distance of the Property.

In addition, other attractions within walking distance from the Property include Central Park and Madison Avenue, which features a variety of retail shops.

2. **Zoning**

The Condominium is located within the C5-1, Special Madison Avenue Preservation District and R8B (LH-1A), which district permits residential use of all Residential Units at the Building. The zoning district classifications pertaining to the Condominium permit the construction of the Building and the residential and commercial uses contemplated therein. However, the Building as designed did not comply with certain zoning regulations. On October 23, 2012, the New York City Board of Standards and Appeals ("BSA") approved the grant of a variance pursuant to Zoning Resolution Section 72-21 to permit the conversion of use and enlargement of the existing buildings that will comprise the Building and the associated waiver or modification of zoning regulations providing, among other things, that the Condominium be developed in accordance with the BSA approved plans. A copy of the BSA Resolution was filed with the Department of Law along with other exhibits filed simultaneously with this Plan.

Since the Building is located in the Upper East Side Historic District which has been designated by the New York City Landmarks Preservation Commission ("LPC"), the Condominium is subject to the restrictions provided for in Chapter 8-A of the New York City Charter. Prior to performing any construction work at the Condominium requiring a building alteration permit issued by the New York City Department of Buildings or affecting the exterior of the Condominium, application was made to, and approved by, LPC for a Certificate of Appropriateness. LPC issued a Certificate of Appropriateness for the alteration and enlargement of the existing buildings that will comprise the Building on October 2, 2012. The Certificate of Appropriateness provides that LPC must review and approve the building drawings for submission to the Department of Buildings before any work begins. A copy of the Certificate of Appropriateness was filed with the Department of Law along with other exhibits filed simultaneously with this Plan.

Construction of the Building, including the individual Units, will be completed substantially in accordance with the Plans and Specifications (as approved by BSA and LPC), and otherwise in accordance with the Zoning Resolution (including approved variances thereof pertaining to the Building), the Building Code of The City of New York and all other applicable Legal Requirements. Copies of the zoning regulations with respect to the Project, the BSA Resolution, the Certificate of Appropriateness and the Plans and Specifications (as approved by BSA and LPC) are on file at Sponsor's office.

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D. SCHEDULE A

33 East 74th Street Condominium
33 East 74th Street
New York, New York

Offering Prices & Other Related Information

Projected Common Charges & Real Estate Taxes are for the First Year of Condominium Operation (1)
March 1, 2015 – February 29, 2016

Unit	(1) Number of Bedrooms, Bathrooms & Half Baths	(2) Approx Interior Unit Area (Sq.Feet)	(2a) Approx Exterior Unit Area (Sq.Feet)	(2b) Approx Total Area (Sq.Feet)	(3) Offering Price	(4) Percentage Interest in Residential Common Elements	(4a) Percentage Interest in General Common Elements	(5) Projected First Year Monthly Common Charges	(5a) Projected First Year Monthly Real Estate Taxes	(5b) Projected First Year Annual Common Charges	(5c) Projected First Year Annual Real Estate Taxes	(6) Projected First Year Monthly Common Charges and Real Estate Taxes	(6a) Projected First Year Annual Common Charges and Real Estate Taxes
Apartments													
2A	3/3.5	3,526		3,926	$15,550,000	7.5295%	5.9059%	$5,297.20	$6,369.24	$63,566.37	$76,670.85	$11,666.43	$140,237.22
3B	3/3.5	3,569		3,869	$14,550,000	7.4575%	5.8503%	$5,247.27	$6,329.02	$62,967.29	$75,948.25	$11,576.30	$138,915.57
4A	3/3.5	3,651		3,651	$15,750,000	7.3647%	5.7931%	$5,196.00	$6,267.15	$62,352.03	$75,206.17	$11,463.16	$137,558.21
4B	3/3.5	3,869		3,869	$14,750,000	7.4575%	5.8503%	$5,247.27	$6,329.02	$62,967.29	$75,948.25	$11,576.30	$138,915.57
5A	3/3.5	3,651		3,651	$16,250,000	7.3647%	5.7931%	$5,196.00	$6,267.15	$62,352.03	$75,206.17	$11,463.16	$137,558.21
5B	3/3.5	3,869		3,869	$15,250,000	7.4575%	5.8503%	$5,247.27	$6,329.02	$62,967.29	$75,948.25	$11,576.30	$138,915.57
PH1	4/4.5	5,577	2,440	8,017	$37,050,000	11.5642%	9.3072%	$8,347.66	$10,068.63	$100,174.50	$120,825.92	$18,416.70	$221,000.42
PH2	4/4.5	4,844	2,867	7,711	$35,000,000	10.5633%	8.3651%	$7,502.90	$9,049.66	$90,034.81	$108,595.88	$16,552.56	$198,630.69
PH3	5/5+1	6,212	2,287	8,599	$32,000,000	13.2003%	10.3553%	$9,287.97	$11,202.73	$111,455.67	$134,432.75	$20,490.70	$245,888.42
TH	5/5+3	10,085	536	10,624	$50,000,000	19.5017%	15.3771%	$13,792.14	$16,635.45	$165,505.70	$199,625.43	$30,427.59	$365,131.13
		50,116	8,130	58,246	$ 246,100,000	100.0000%	78.4477%	$70,361.92	$84,867.33	$844,343.00	$1,018,409.00	$155,229.25	$1,862,751.00
Retail		14,327	0	14,327	N/A	-	21.5523%	$3,561.08	$35,567.92	$42,732.96	$429,015.00	$39,229.00	$470,747.96
Total		64,443	8,130	72,573	$ 246,100,000	100.0000%	100.0000%	$ 73,923.00	$ 120,535.25	$ 887,075.96	$ 1,446,423.00	$ 194,458.25	$ 2,333,498.96

The accompanying notes should be read in conjunction with this Schedule.

SCHEDULE A

33 East 74th Street Condominium
33 East 74th Street
New York, New York

Offering Prices & Other Related Information

RESIDENT STORAGE ROOM LICENSES

Resident Storage Room Number	Approximate Square Footage	License Offering Price	Initial Monthly License Fee
SR 1	145	203,000	$145
SR 2	169	236,600	$169
SR 3	225	315,000	$225
SR 4	215	301,000	$215
SR 5	120	168,000	$120
SR 6	128	179,200	$128
SR 7	192	268,800	$192
SR 8	127	177,800	$127
SR 9	156	218,400	$156
SR 10	216	302,400	$216
TOTAL:	**1,693**	**2,370,200**	**$1,693**

The accompanying notes should be read in conjunction with this Schedule.

NOTES TO SCHEDULE A

(1) Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from March 1, 2015 to February 29, 2016. The actual First Year of Condominium Operation may begin earlier or later than that year.

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

The square foot area of the Units set forth in the floor plans and in Exhibit B to the Declaration (and Schedule A to the Plan) were obtained by using the method customarily used in New York City to measure Condominium apartments as more particularly set forth in the Architect's Report. As described in Notes to Schedule A below, the approximate square foot area of each Unit is measured horizontally on each of one or more floors from the exterior side of the exterior wall of the Building to the midpoint of the interior walls and partitions separating a Unit from another Unit or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Unit) where totally or partially contained within the Unit are not deducted from the square foot area of the Unit. The vestibule immediately to the east of the double entry doors to the Unit, which is a Common Element, measured to the centerline of the partitions defining this space, has been included in the square foot area of Unit PH1. All Terrace dimension measurements are measured horizontally from the exterior face of the Unit to which such Terrace is appurtenant to the parapets, divider screens and landscaped planters, inclusive of these elements. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Notwithstanding the foregoing, the western edge of the 7th Floor Terrace appurtenant to Unit PH2 has been measured from the exterior face of the railing of such Terrace, inclusive of such railing, and excludes the area beyond such railing, which excluded area comprises a setback

required by the New York City Landmarks Preservation Commission, and shall not be a part of such Terrace. The Yard dimension measurements are measured horizontally from exterior faces of the south and west brick walls to the east and north property lines. All Resident Storage Room dimension measurements are measured horizontally to and from the mid-point of the interior walls and partitions separating one Resident Storage Room from another Resident Storage Room, or the mid-point of the interior walls and partitions separating a Resident Storage Room from corridors, stairs, elevators or other mechanical equipment spaces, and the approximate face of the existing perimeter masonry foundation walls, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Storage Room) where completely or partially contained within the Storage Room are not deducted from the square foot area of the Storage Room. All dimensions on the Residential Units' plans/exhibits are approximate and subject to normal construction variances and tolerances. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Any floor area occupied by a Common Element bordering or within a Unit (including, but not limited to, portions of the Building's façade or exterior walls, vents, chase walls, or areas, conduits, ducts, shafts or pipes), may have been included in the computation of the floor area of a Unit, but such Common Elements are not part of such Unit. The square foot areas determined using the methodology set forth above would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield lesser actual useable floor area for each Unit), and the actual usable floor area for each Unit may be less than that set forth in Schedule A due to the use of the methodology described above.* The stated method of measurement used is applicable to all Units. The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

(3) Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. (See "Changes in Prices and Units: Residential Units" in Section G

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* Each Residential and Commercial Unit includes, and each Residential and Commercial Unit Owner shall be responsible for, all fixtures, equipment and other items of personalty, including, without limitation, all plumbing and heating fixtures and equipment, and other appliances as may be contained in, affixed, attached or appurtenant to such Unit, other than as may constitute part of the Common Elements. Plumbing and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Residential and/or Commercial Unit Owner may install within a wall or ceiling, or under the floor, but shall not include water or other pipes, conduits, wiring or ductwork within the walls, ceiling or floors. Except as otherwise expressly set forth herein, each Residential Unit and Commercial Unit shall also include all lighting and electrical fixtures and appliances within such Unit and any special equipment, fixtures or facilities affixed, attached or appurtenant to such Unit to the extent located within such Unit and serving or benefiting only that Unit.

below for further discussion.) In addition to paying the purchase prices of their Units, purchasers will be responsible for paying certain closing adjustments and closing costs, including, without limitation, the obligation to contribute to the Working Capital Fund. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Residential Units. (See "Unit Closing Costs and Adjustments" in Section N below for further discussion.)

(4) The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

(5) These projections have been based upon the projections contained in "Projected Budget for First Year of Condominium Operation -- Schedule B" (set forth in Section E below), which were made based on the assumption that the First Year of Condominium Operation will be from March 1, 2015 to February 29, 2016. The actual first year of operation may be earlier or later. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned.

As discussed in "Available Services and Facilities" in Section B above and in Special Risk #7, the full range of services and facilities described in this Plan may not be provided until move-ins are finished and construction work within and on the Building is completed. To the extent that any service or facility provided during such interim period benefits particular Residential Units, to the exclusion of other Residential Units, and the cost of the same is readily identifiable, the Common Charges necessary to provide such service or facility will be borne exclusively by the owners of the benefited Residential Units, in proportion to their respective Common Interests.

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

As discussed below in the Section entitled "Control by Sponsor" and in the Special Risk entitled "Control by Sponsor; First Meeting," Sponsor shall have the right, in its sole and absolute discretion, to cause the Condominium Board to waive the collection of some or all of the Common Charges from Unit Owners for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Building during the Waiver Period (the "Operating Expenses"). In connection with the Waiver Period, (i) if the collection of Common Charges will be delayed, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such Waiver Period; (ii) Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration; (iii) during any such Waiver Period, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents.

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

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

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

(c) the cost of interior repairs, compliance with Legal Requirements and maintenance, painting and decoration in, to or of, the Unit, including, without limitation, the equipment and appliances contained in the same, and any appurtenant Residential Limited Common Element;

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

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

(f) real estate taxes (see footnote 6 below).

(6) The projection of the real estate taxes that will be payable for each of the Units during the projected First Year of Condominium Operation is based upon an opinion of counsel

letter prepared by Marcus & Pollack LLP, Sponsor's real estate tax consultant and takes into account the following assumptions and projections:

(a) a projected assessed value for the residential portion of the Building for the 2014/2015 tax year of approximately $7,150,000, which is based upon a partially constructed building, and a projected assessed value for the residential portion of the Building for the 2015/2016 tax year of approximately $8,014,500;

(b) an assumed tax rate of 13.181% for the 2014/2015 and 2015/2016 tax years.

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

No warranty, guaranty or assurance is given that:

(i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such First Year of Condominium Operation and the rate of construction progress on January 5, 2014, which will determine the real estate tax rate for the 2014/2015 tax year, or on January 5, 2015, which will determine the real estate tax rate for the 2015/2016 tax year, will approximate the actual amounts;

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

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

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board his or her Unit's pro rata share of the Property's real estate taxes for the period in question. This proration will be made by allocating the Property's taxes among the Units on the basis of Common Interest set forth in Schedule A. The Condominium Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his or her pro rata share as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I, Section R for further discussion.) At such time as a Unit is separately assessed and

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

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

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

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E. SCHEDULE B

33 EAST 74TH STREET CONDOMINIUM
Projected Budget for First Year of Condominium Operation
March 1, 2015 to February 29, 2016 (See Note 1a)

ESTIMATED INCOME

Common Charges	
Residential Units (Note 2)	$ 844,343
Commercial Unit (Note 2)	42,733
Storage License Fees (Note 3)	1,693
Total Estimated Income	$ 888,769

	Residential Units	Retail Unit
ESTIMATED EXPENSES		
Payroll and Related Expenses (Note 4)	$ 369,538	$ 2,000
Gas Heat, Hot Water & Cooking (Note 5)	100,834	
Electricity (Note 6)	136,400	
Water Charges and Sewer Rent (Note 7)	18,997	
Repairs and Maintenance (Note 8)	28,707	1,293
Service Contracts and Supplies (Note 9)	57,414	2,586
Insurance (Note 10)	74,525	20,475
Management Fee (Note 11)	15,690	4,310
Legal and Audit Fees (Note 12)	12,552	3,448
Reserve for Contingencies (Note 13)	19,612	5,388
Telephone and Miscellaneous (Note 14)	11,767	3,233
Total	$ 846,036	$ 42,733

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

NOTES TO SCHEDULE B

(1) Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from March 1, 2015 to February 29, 2016. The actual First Year of Condominium Operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their deposits returned, together with interest earned thereon.

(2) **Common Charges Residential Units and the Commercial Unit**
These amounts represent the total Common Charges to be levied against and collected from the Residential Units during the projected First Year of Condominium Operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. The Common Expenses have been allocated among the Units on the basis of percentage interest in the Common Elements.

Common Expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of percentage interest in the Common Elements of such Units, for a total of approximately 78.4477%.

Common Expenses to be borne by the Commercial Unit Owner has been allocated on the basis of the percentage interest in the Common Elements of such Unit, for a total of approximately 21.5523%.

(3) **Storage Rooms Income: $1,693**

This amount represents income that will be generated by licensing fees related to 10 storage rooms. These rooms will be licensed to Unit Owners at an initial rate of $1.00 per square foot per month.

(4) **Payroll and Related Expenses: $ 371,538**
Unless otherwise noted in these footnotes, for purposes of estimating all payroll costs in Schedule B, it has been assumed that employees will not be members of an organized labor union. All wage, salary and benefit costs, including applicable payroll taxes reflect that assumption.

The payroll taxes and benefits include FICA, Federal unemployment, New York State unemployment insurance, workers' compensation, and disability insurance at rates

currently in effect. The level of staffing described in this Schedule B complies with all applicable housing and labor laws.

No warranty is made with respect to the Building employees right to organize or the actual wages, salaries, benefits and related payroll taxes and similar expenses which will be applicable and in effect during the First Year of Condominium Operation. However, the projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, Douglas Elliman Property Management, in managing comparable buildings.

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

POSITION	WAGES PER PERSON
1 Superintendent	$ 45,000 per annum
4.2 Lobby Attendant	$ 40,000 per annum
1.8 Porters	$ 35,000 per annum

In addition, 28 days per year of vacation days, sick days and personal days have been allowed for each of the employees and have been included in the total payroll and related expenses. Payroll expenses for the Condominium's employees have generally been allocated to the Residential Units. However, it is expected that the Commercial Unit will require the services of the superintendent and one porter for work related to the General Common Elements of the Condominium for which they utilize. It is estimated that this work will be for a period of two hours each per week. Accordingly, a portion of the costs related to the superintendent's salary, the salary of one porter, benefits, etc. have been allocated to the Commercial Unit on that basis.

(5) **Gas Heat, Hot Water and Cooking: $ 100,834**
The estimates and projections of consumption of gas for heating, hot water and cooking are as described in a letter, dated August 30, 2013 from Cosentini Consulting Engineers (the "Cosentini Letter") which reflects the following:

Gas Heat, 53,846 Therms per year at a cost of $1.30 per Therm for a total cost of $70,000.

Hot Water, 13,667 Therms per year at a cost of $1.30 per Therm for a total cost of $17,667.

Cooking Gas, 300 Therms per year at a cost of $1.30 per Therm for a total cost of $3,900.

It is impossible to predict whether the budgeted figure will reflect the actual cost of gas for the actual First Year of Condominium Operation. This cost will vary with both the level of consumption of gas and the rate charged by the utility company. The level of consumption of gas will be affected by any conservation measures (such as lowering the

temperature of the heat and hot water, etc.) adopted by the Condominium Board. Any projection of future costs therefore is difficult.

Gas for heating, cooking and hot water will be supplied only to the Residential Units. The Commercial Unit will be sub-metered and billed by the Condominium.

The cost estimates above have been increased by ten percent (10%) over rates referenced in the Cosentini Letter. It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of gas during the projected First Year of Condominium Operation. However, no budget item is warranted.

(6) **Electricity: $ 136,400**

The amount set forth is the estimate for the electricity consumed only by the Common Elements. There will be one Con Edison meter servicing Common Elements of the building. Each Residential Unit will have its own Con Edison meter for lighting and appliance loads as well as for air conditioning.

The amount set forth in Schedule B for electricity is based on the estimate and projections of consumption for all Common Elements as described in the Cosentini Letter which reflects an estimated annual consumption of approximately 496,000 kilowatt hours of electricity based on a rate of $.2500 per kilowatt hour of electricity including demand charges, fuel adjustment and taxes and surcharges.

It is impossible to predict whether the budgeted figure will reflect the actual cost of electricity for the actual First Year of Condominium Operation. This cost will vary with both the level of consumption of electricity and the rate charged by the utility company. The level of consumption of electricity will be affected by the severity of the weather and any conservation measures adopted by the Condominium Board. Any projection of future costs therefore is difficult.

The Residential Units will be individually sub-metered and will be billed on a monthly basis by the Condominium. The Commercial Unit will also be sub-metered and billed by the Condominium.

The cost estimate above has been increased by ten percent (10%) over rates referenced in the Cosentini Letter. It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of electricity during the projected First Year of Condominium Operation. However, no budget item is warranted

(7) **Water Charges and Sewer Rent: $ 18,997**

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building. The budgeted amount is based upon the estimate and projection of consumption and rates as described in the Cosentini Letter which reflects consumption by the Residential Units and common area of 80 gallons per day per estimated occupant at an average rate of $8.21 per 100 cubic feet for water and $3.17 per 100 cubic feet and make-up, for 1500 total hours of cooling operation. For the

purposes of this budget, the cost estimated in the Cosentini Letter has been increased by 10% to allow for fluctuation in the per cubic foot cost that may be incurred during the First Year of Condominium Operation.

The Commercial Unit will be separately sub metered and billed by the Condominium.

It is impossible to predict whether the budgeted figure will reflect the actual cost of water and sewer costs for the actual First Year of Condominium Operation. This cost will vary with both the level of consumption of water and the rate charged by the utility company. The level of consumption of gas will be affected by any conservation measures adopted by the Condominium Board. Any projection of future costs therefore is difficult.

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of water and sewer during the projected First Year of Condominium Operation. However, no budget item is warranted.

(8) Repairs and Maintenance and Building Supplies: $ 30,000

This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish compactor bags, etc. used in connection with the operation of the Common Elements.

No amounts have been budgeted for repairs to the roof, the heating, ventilating and air-conditioning system or the Building exterior, and a relatively small amount has been estimated for other repairs, because the Building's roof, the heating, ventilating and air-conditioning system and virtually all of the other Building systems will be new. This estimate is based on experience of Sponsor's budget expert, Douglas Elliman Property Management in operating comparable new buildings.

The estimated cost for repairs and maintenance and building supplies have been allocated among all Units based upon their shared percentage interest in the Common Elements relative to their consumption of such items.

(9) Service Contracts: $ 60,000

This estimate includes the cost of various services used in or for the Common Elements, including heating and cooling maintenance, sprinkler and fire protection, metal, wood and marble maintenance, extermination, uniform laundry, water treatment and landscaping.

There is no provision for an elevator maintenance contract as service for the First Year of Condominium Operation is included with the elevator installation/construction contract. The following is a cost estimate for each prospective contract:

Heating & Cooling Maintenance	$22,000
Sprinkler & Fire Protection	12,000
Metal, Wood & Marble Maintenance	10,000

Extermination	4,000
Uniform Laundry	5,000
Water Treatment	7,000

No maintenance or service contracts have been entered into as of the date of the Plan. The estimated cost for service contracts has been allocated among all Units based upon their shared percentage interest in the Common Elements relative to their consumption of such items. The budgeted amounts are based on estimates received from contractors and otherwise or the experience of Sponsor's budget expert, Douglas Elliman Property Management in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

(10) **Insurance: $ 95,000**

The insurance premiums are based on a letter, dated February 13, 2013 from Crystal & Company, setting forth the following coverage:

PACKAGE **INSURER WITH A BEST RATING OF "A"**

PROPERTY – "Special" Risks of Direct Physical Loss Subject to Policy Terms & Conditions

Coverage	Limits Provided
Blanket Real & Personal Property/Building Ordinance- "All Risk", Agreed Amount Replacement Cost. Deductible - $25,000	$35,000,000
All Risk Business Income/Rents and additional expenses	Not Included
Demolition/Increased Cost of Construction	$10,000,000
Earthquake & Flood Deductible - TBD	$5,000,000
Commercial General Liability	
General Aggregate – Per Location	$2,000,000
Each Occurrence	$1,000,000
Personal & Advertising Injury	$1,000,000
Products/Completed Operations Aggregate	$1,000,000
Fire Damage Legal Liability	$300,000
Medical Payments – each person	$5,000
Hired Car/Non-Owned Automobiles	$1,000,000
Water Damage Legal Liability	Included
Notice and Knowledge of Occurrence	Included

Unintentional Errors & Omissions	Included

Coverage	Limits Provided
Commercial Umbrella Occurrence/Aggregate (includes excess Directors & Officers Liability for Condominium and Cooperatives)	$10,000,000
Workers & Machinery	Statutory Limits
Boiler & Machinery Comprehensive Forms Blanket Combined Limit- Property Damage Business Income including Rental Value Repair and Replacement, Service Interruption Deductible - $25,000 Property Damage	Included in Property
Directors & Officers Liability Wrongful Act/Aggregate Retention - $1,000	$1,000,000
Commercial Crime Employee Dishonesty Deductible - $5,000	$3,000,000
Total Annual Premium:	**$95,000.**

The limits, deductibles and premium indicated are based on current pricing and availability and cannot be guaranteed.

The above captioned Property coverage waives coinsurance (agreed amount clause) and is written on a replacement cost basis. The replacement cost valuation is based on the final construction cost. In our opinion, based on current construction cost, the building limit quoted should cover the cost to replace the building. The fire, casualty and general liability policies will include the following terms:

1. Policies will not be canceled without notice to the board of managers,
2. Waiver of subrogation,
3. Waiver of invalidity because of acts of the insured and unit owners,
4. Each unit owner is included as additional insured's as respects common areas (General Liability only).

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure, on behalf of the Board, on or before the date of the First Closing, the general liability insurance required to be carried by the Condominium. Unit Owners should consider procuring their own coverage for their contents and liability within their Unit and appurtenant Residential Limited Common Elements to which they have exclusive use.

The fire, casualty and general liability insurance carried by the Condominium will provide that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Condominium Board; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

The estimated cost for insurance has been allocated among all Units based upon their shared percentage interest in the Common Elements.

(11) Management Fee: $ 20,000

Based on the management agreement to be entered into at or before the First Closing, Sponsor anticipates that the Managing Agent will receive an annual fee of $20,000 for the First Year of Condominium Operation. In the opinion of Douglas Elliman Property Management, the Managing Agent's fee for the First Year of Condominium Operation is comparable to the fees charged for such services at similar buildings. Reference should be made to "Management Agreement" for further discussion of the terms of the Management Agreement.

The estimated cost for management fees has been allocated among all Units based upon their shared percentage interest in the Common Elements.

(12) Legal and Audit Fees: $ 16,000

Based upon the estimate of Kleiman & Weinshank LLP, as set forth in a letter dated February 14, 2013, $ 8,500 has been budgeted for fees to be incurred in connection with the preparation of the audited financial statements for the Condominium's First Year of Condominium Operation and its Federal, New York State and New York City income tax returns. The balance of the budgeted amount $ 7,500 has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

The estimated cost for legal and audit fees has been allocated among all Units based upon their shared percentage interest in the Common Elements.

(13) Reserve for Contingencies: $ 25,000

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the First Year of Condominium Operation to increase items of expenses and decrease the contingency reserve.

The estimated cost for reserve for contingency has been allocated among all Units based upon their shared percentage interest in the Common Elements.

(14) Telephone and Miscellaneous: $ 15,000

This estimate is included to provide for the estimated cost of miscellaneous administrative and other costs including, but not limited to, inspection fees, license fees, permits, stationery, postage, printing, telephone, cell phone, cable television, resident manager's parking and other fees.

The estimated cost for telephone and miscellaneous has been allocated among all Units based upon their shared percentage interest in the Common Elements.

This estimate does not include an estimate for income taxes payable by the Condominium. The Condominium may be eligible to elect to be treated as a homeowners association which is not subject to Federal income tax on amounts received as membership dues, fees, or assessments from Residential Unit Owners, for its first taxable year. Absent such election, the status of the Condominium for tax purposes is uncertain. The Condominium may be treated as a conduit for the Unit Owners, rather than a separate taxpayer. If treated as a separate entity, the Condominium may be treated as a partnership for tax purposes, and as such would not be subject to Federal or New York State income tax, but may be subject to the New York City Unincorporated Business Tax. (See the Sections of the Plan entitled, "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Opinions of Counsel" for further discussion.

In the opinion of Douglas Elliman Property Management, the projected income for the Condominium is adequate to meet the estimated expenses for the First Year of Condominium Operation, assuming that such first year is the fiscal year commencing March 1, 2015. The budget, however, is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Property by the Board will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the First Year of Condominium operation will vary from the amounts shown in the budget.

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SCHEDULE B-1

Projected Annual Electricity Cost

By letter dated February 5, 2013, Cosentini Consulting Engineers provided the following estimate of annual electric energy costs for lighting, typical electrical appliances and heating and air conditioning within each Unit.

The projections were based upon an estimated rate of $0.25 per KWH which is greater than rates currently in effect.

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

Unit	Total Annual KWH	Total Annual Cost
Typical 3 Bedroom	103,948	$2,845
Unit PH2 – 4 Bedroom	68,096	$3,405
Unit PH1 – 4 Bedroom	103,702	$3,705
Unit TH	103,034	$5,905
Unit PH3	52,903	$4,510

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F. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

June 19, 2013

JZS Madison, LLC
780 West End Avenue, 1E
New York, NY 10025

Re: 33 East 74th Street Condominium
33 East 74th Street, New York, New York

Gentlemen:

Douglas Elliman Property Management is a licensed real estate brokerage and management firm and has been engaged in the management and sales of over 350 condominium and/or cooperative properties over the past 50 years. The undersigned has no beneficial interest in Sponsor or the profitability of the subject project.

The undersigned has reviewed the allocation of common interests as shown on the Schedule A to be included in the Condominium described in the offering plan for the subject project.

The common interests among the Units have been allocated to each based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the New York State Real Property Law. This allocation utilizes measurements and calculations of net square footage made by Beyer Blinder Belle Architects & Planners, LLP, Sponsor's Architect.

Very truly yours,

DOUGLAS ELLIMAN PROPERTY MANAGEMENT

By: _____

Sworn to before me this
19th day of June, 2013.

_____
Notary Public

CINDY HARRINGTON
Notary Public - State of New York
No. 01HA6098204
Qualified in Kings County
Commission Expires on December 8, 2016

G. COMMERCIAL UNIT

Subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit (not offered hereby) may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial or office purposes. The Condominium Board will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. Section 6 of the By-Laws provides that the Commercial Unit may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. It is currently anticipated that the Commercial Unit will initially be used for retail purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time.

No unlawful use may be made of the Property or any portion thereof and all valid Legal Requirements relating to any portion of the Property shall be complied with at the sole cost and expense of the applicable Unit Owner or the applicable Board(s), whichever party has the obligation to maintain or repair such part of the Property, as set forth in the Declaration or the By-Laws.

The Commercial Unit Owner will be obligated to pay its share of the expenses that are incurred by the Condominium Board in furnishing services, and operating, maintaining and repairing Common Elements, only to the extent the same are utilized by or benefit such Commercial Unit Owner. As more fully set forth in the "Notes to Schedule B" above, each of the Commercial Unit Owner will therefore pay only allocated percentages of only certain expenses, which percentages may be less (or more) than their Common Interest. The allocated percentages represent a projection of the proportionate usage of the services and facilities in question by the Commercial Unit Owner, as estimated by Douglas Elliman Property Management, an independent expert retained by Sponsor. It is the opinion of Douglas Elliman Property Management, as more fully set forth in Exhibit 8 in Part II, that the aforementioned Common Charges payable by the Commercial Unit Owner are sufficient to cover the expenses fairly attributable to such Unit Owner's Commercial Unit.

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

To the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit Owner will have the right with regard to its Unit, without the vote or consent of the Condominium Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements, in, to and upon the Commercial Unit (including, without limitation, performing structural or nonstructural, interior or exterior (including to the façade of the Commercial Unit), ordinary or extraordinary work provided, however, that such Commercial Unit Owner, if other than Sponsor

or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements to the Commercial Unit which would have a material and adverse effect on the structural, mechanical, electrical or plumbing elements of the building), to change the size of its Unit by subdividing it into any desired number of condominium units (or by combining any units resulting from such subdivision), and to reapportion among the newly created condominium units resulting from any subdivision (or combination) their appurtenant Common Interests, provided that any such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act. As more particularly provided in Article 10 of the Declaration, the Commercial Unit Owner will have the right with regard to its Unit to amend the Declaration in order to reflect such changes, or to cause the Condominium Board to do so. If the Commercial Unit is subdivided or combined, the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Condominium Board or other Unit Owners), set forth above in this paragraph, described as pertaining to the Unit Owner of the original Unit or Units in question.

The owner of the Commercial Unit and/or its designee (and their respective successors and assigns) shall have an easement to erect, use, lease, license, maintain, repair, replace, and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building (which is otherwise a Common Element) that is not occupied by any Building installations, without the consent of, or charge by, the Condominium Board or any other Unit Owners. The owner of the Commercial Unit shall have the right to create additional Commercial Units consisting of portions of the Commercial Unit, each of which shall have an appurtenant easement to use a portion of the Commercial Unit's platform and other facilities on the roof of the Building, upon which such additional Commercial Unit Owner (or its tenant or licensee) may erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other telecommunications equipment. If such additional Commercial Units are created, the percentage interest in the Common Elements allocated to the Commercial Unit, together with all such additional Commercial Units, and the percentage interests of all other Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by such Commercial Unit Owner(s) shall be the obligations and rights, respectively, solely of such Commercial Unit Owner(s) and not of the Condominium or any other Unit Owner. The Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

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

The Commercial Unit Owner and any tenant or tenants of the Commercial Unit pursuant to the terms of any lease pertaining thereto shall have the right and an easement to erect, maintain, repair and replace or cause to be erected, maintained repaired and replaced, from time to time, either within or in the immediate location of the Commercial Unit, including the façade immediately outside the Commercial Unit, below the windows at Floor 3 and on the sidewalk adjacent to the Commercial Unit's entrance or entrances , one or more signs, flags or other protrusions which may be illuminated, including neon, flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes. Additionally, the owner of the Commercial Unit and any tenant or tenants of the Commercial Units pursuant to the terms of any lease pertaining thereto, shall have an easement to erect, maintain, repair and replace or cause to be erected, maintained, repaired and replaced in the immediate location of the Commercial Unit, including, below the windows at Floor 3, but not to interfere with the entrance to any other Unit, (i) a canopy and/or awning for advertising or identification purposes, and (ii) and automatic teller machine ("ATM") which shall be used in conjunction with the use of the Commercial Unit. Such Unit Owner and any tenant of space in such Unit shall comply with all laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Commercial Unit Owner or its tenant shall obtain and pay for all permits required for such signs, ATM, canopies and/or awnings and/or any necessary renewal fees related thereto.

The Commercial Unit Owner and any tenant or tenants thereof pursuant to the terms of any lease pertaining to the Commercial Unit, shall have an easement, without charge or limitation, to use all or any portion of the sidewalks, including, but not limited to, any plantings and/or planters located thereon, which are directly in front of the Commercial Unit for any lawful purpose and in conjunction with the use of the Commercial Unit.

The Commercial Unit Owner and any tenant or tenants (or subtenant(s)) of the Commercial Unit pursuant to the terms of any lease pertaining thereto, shall have the following easements for the benefit of and appurtenant to the Commercial Unit in connection with the installation of one or more elevators in the Commercial Unit:

(a) A permanent, perpetual and exclusive easement in, to and over (together with the exclusive right of use, access and possession of) certain portions of the Common Elements located in the sub-cellar level of the Building (but not in the location of the Resident Storage Rooms) (the "Elevator Easement Area"), for the purpose of constructing, erecting and installing therein one or more elevator pits, machine rooms and related installations and equipment (including, without limitation, as applicable, elevator cabs, bulkheads, shafts, motors, fans and compressors) (collectively, the "Elevator Structures") and any associated HVAC and other systems and any associated wiring, lines and other conduits (collectively, the "Elevator Systems," the Elevator Structures and Elevator Systems, collectively the "Elevator Installations"), and thereafter operating, maintaining, repairing, restoring and replacing the Elevator Installations.

(b) A permanent and perpetual non-exclusive easement in, on, to and over other portions of the Common Elements located in the sub-cellar level of the Building (but not in the location of the Resident Storage Rooms) (the "Elevator Conduit Easement Area," the Elevator

Conduit Easement Area and the Elevator Easement Area, collectively, the "Easement Area") for the purpose of constructing, erecting and installing and maintaining, repairing, rebuilding restoring and replacing the applicable lines, wiring and other conduits comprising the Elevator Systems in and under the ceiling of the sub-cellar.

(c) A non-exclusive, perpetual easement and right-of-way in, on, to and over such portions of the Common Elements as necessary in order to gain access to any portion of the Easement Area, as applicable, for the purpose of constructing, erecting, installing, maintaining, repairing, rebuilding, restoring and replacing the Elevator Structures and/or the Elevator Systems (individually or collectively, as the case may be, the "Easement Work"), provided however that such easement shall only be (i) granted for those areas which are adjacent to those areas of the applicable portion of the Elevator Structures and/or Elevator Easement Area upon which Easement Work is being performed, and (ii) in effect until completion of the applicable Easement Work. The contractors, agents, employees, laborers and materialmen of the Grantee shall have the right, subject to the provisions, terms and conditions of this Declaration, to enter upon and use such easement and right of way when performing any Easement Work in the applicable easement area(s).

In the performance of any Easement Work, the Commercial Unit Owner agrees that (i) reasonable and adequate provision shall be made for the safety and convenience of all Unit Owners; (ii) all such work will be performed in a reasonable manner; (iii) upon completion of any such work in any Easement Area, the ground surface and ceiling surfaces of the applicable portions of the Common Elements outside the Easement Area affected by any such work shall be restored to substantially the condition which they were in prior to the performance of such work, (iv) if the exercise of the Commercial Unit Owner's rights with respect to the such easement requires the relocation of certain equipment or machinery located at the sub-cellar level of the Building, such equipment or machinery shall be relocated at the Commercial Unit Owner's sole cost and expense; (v) all other costs, fees and expenses incurred as a result of the such work shall be borne by the Commercial Unit Owner; (vi) before performing any such work, the Commercial Unit Owner shall obtain all permits, licenses or other authority as may be required from any applicable governmental authorities having jurisdiction; and (vii) such work shall be performed in accordance with applicable Legal Requirements. The Condominium Board agrees, provided it shall not incur any liability as a result thereof, that, if necessary because of any Legal Requirements or otherwise as reasonably requested by the Commercial Unit Owner, it shall promptly execute any applications reasonably requested by the Commercial Unit Owner, and required to be executed by the Condominium, in order for the Commercial Unit Owner to effectuate its rights under such easement.

Additionally, the Commercial Unit Owner and the occupants of the Commercial Unit shall have an easement by means of the shortest distance and/or route from the service entrance located on the East 74th Street side of the Building on the Cellar level which is a part of the Residential Unit Limited Common Elements, as shown on the Floor Plans on over and across those portions of the Common Elements leading to an internal entry point to the Commercial Unit, for the purposes of ingress and egress to the Commercial Unit.

Subject to any other easements granted to the Commercial Unit Owner under the Condominium Declaration, the Commercial Unit Owner, their servicemen, consultants and/or

repairmen, shall have an easement by means of the shortest distance and/or route from the service entrance to the Building and through the residential staircases in, on, over and across the sub-cellar or other common areas of the Building for the sole purpose of maintaining, repairing and/or replacing any equipment, located in the sub-cellar or roof level mechanical rooms or in the boiler room of the building and which services the Commercial Unit.

The Commercial Unit Owner has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in the Plan.

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H. CHANGES IN PRICES: RESIDENTIAL UNITS AND RESIDENT STORAGE ROOM LICENSES

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

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

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

In order to meet the possible varying demand for number and type of different Units or Resident Storage Rooms, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit or unlicensed Resident Storage Room; (ii) change the layout of, or number of rooms in, any Unsold Unit or unlicensed Resident Storage Room; (iii) change the size and/or number of Unsold Units or unlicensed Resident Storage Rooms by subdividing one or more such Units or Resident Storage Rooms into two or more separate Units or Resident Storage Rooms, combining separate Unsold Units or unlicensed Resident Storage Rooms (including those resulting from a subdivision or combination or otherwise) into one or more Units or Resident Storage Rooms, altering any boundary walls between any Unsold Units or unlicensed Resident Storage Rooms, and/or incorporating within any Unsold Unit or unlicensed Resident Storage Room the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate,

reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (v) change the permitted use of some or all of the Unsold Units or Resident Storage Rooms. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. As more particularly provided in the Declaration, Sponsor or its designee will have the right to (or to cause the Condominium Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units or unlicensed Resident Storage Rooms. In addition, none of the foregoing changes, including any material adverse change in the size, layout or Common Interest of a Residential Unit or in the amount or quality of Residential Limited Common Elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement has been mutually executed and delivered and the Purchaser thereunder is not in default, unless: (a) such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists and set forth in an amendment to the Plan, and the Purchaser is offered the right in such amendment, for at least 15 days, to rescind his or her Agreement and receive a refund of the Deposit, together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission; or (b) such change is not a material adverse change in the size, dimension or floor space or layout of such Unit, in which event a Purchaser will not be excused from purchasing such Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

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I. INTERIM LEASES

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Unit, to rent or lease, rather than sell, such Unit to Purchasers and others. There are no limitations of any kind on Sponsor's right to rent rather than sell Units. As a result, a Purchaser of a Unit may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. However, once an Agreement for a Unit is fully executed and for so long as the Agreement is in effect, such Unit may only be leased to its Purchaser (unless Purchaser agrees otherwise). No Purchaser shall have the right to occupy any Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim lease, the form for which is set forth in Part II of this Plan (the "Interim Lease Agreement") As of the date hereof, all the Residential Units are vacant.

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

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

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

In the event of an amendment to the Plan disclosing a material adverse change pursuant to which a Purchaser is allowed to rescind an Agreement, if a Purchaser who is a tenant under an Interim Lease Agreement duly elects to rescind, the Interim Lease Agreement made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within 60 days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said 60-day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the Interim Lease Agreement. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Unit (such as Common

Charges, real estate taxes and the allocable portion, based on such Unit's Common Interest, of debt service on any loan covering the Unsold Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

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

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J. PROCEDURE TO PURCHASE

1. Execution of Documents

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

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

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

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

2. **Deposits/Escrow**

(a) General

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

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

Deposits or advances received by Sponsor will be held by Escrow Agent (as defined below) and placed in the Escrow Account (as hereinafter defined) in conformity with the procedure set forth herein. Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b), 352-h and the provisions of Lien Law Section 71-a(3), as applicable.

(b) The Escrow Agent

The law firm of Kramer Levin Naftalis & Frankel LLP, with an address at 1177 Avenue of the Americas, New York, New York 10022, telephone number 212-715-9100, shall

serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Jay A. Neveloff, Jonathan H. Canter, Paul S. Pearlman, Neil R. Tucker, James P. Godman and Howard J. Rothman. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(c) The Escrow Account

The Escrow Agent has established the escrow account at Valley National Bank, 275 Madison Avenue, New York, New York 10016 (the "Bank"), a bank authorized to do business in the State of New York. Each escrow account is entitled "33 East 74th Street Condominium Escrow Account" or similar name (each the "Escrow Account") . The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured.

Any deposits or payments made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of June 19, 2013, such rate is/was 0.10%. The actual initial interest rate for the Escrow Account with respect to any particular Purchaser's Deposit shall be set forth in the notice to be sent to Purchaser (as described below). As noted, the interest rate on such accounts will fluctuate and neither Sponsor nor Escrow Agent makes any representation regarding the rates that will be in effect from time to time or the actual rate of interest on, or the interest that may accrue for any particular account or for any particular Purchaser, from time to time. Interest, if any, shall begin to accrue upon placing the Deposit into the Escrow Account, however, no interest will be earned until the Deposit check is deposited with and collected by the Bank and provided that the Purchaser has delivered the required number of completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit 1A in Part II of the Plan or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the form reproduced as Exhibit 1B in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Purchaser does not deliver the Form W-9 or Form W-8BEN, as applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9 or Form W-8BEN has been delivered, and neither Sponsor, Selling Agent, the Escrow Agent nor the Bank shall be liable for interest for the period prior to the delivery of such form. Interest will not be earned after a withdrawal is made from the Escrow Account in anticipation of the closing. All interest earned on a Purchaser's Deposit shall be paid to or credited to the Purchaser at closing unless Purchaser has defaulted and Sponsor is entitled to retain the Deposit. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

(d) The Agreement

The Agreement is attached hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in a Rider to the Agreement, which must be executed by the Escrow Agent. Purchaser and Sponsor must also each execute such Rider which when fully executed shall constitute a tri-party agreement related to the Deposit.

(e) Notification to Purchaser

Within ten (10) business days after the Agreement has been "tendered" (as defined below) to Escrow Agent along with the Deposit and countersigned by Sponsor, Escrow Agent shall sign the Agreement and place the Deposit into the Escrow Account. Escrow Agent shall notify the Purchaser that such funds have been placed in the Bank by providing written notice to Purchaser and Sponsor, confirming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor. As used in this Section of the Plan, "tender" or "tendered" means the date delivered by hand or five (5) business days after being sent by mail or courier. If any Deposit check is received by Sponsor or Selling Agent, it will be delivered promptly to Escrow Agent in order that the notice confirming such Deposit may timely be sent to Purchaser.

Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit and execution of the Agreement by Sponsor, Purchaser and Escrow Agent, then Purchaser may cancel the Agreement within ninety (90) days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

(f) Release of Funds

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Agreement upon closing of title to the Unit; or

(b) in a subsequent writing signed by both Sponsor and Purchaser; or

(c) by a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) immediately above, and Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both parties informing them of said release. If Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) immediately above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Building is located and shall give written notice to both parties of such deposit.

Sponsor shall not object to the release of the Deposit to:

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

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

The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

(g) Waiver Void

Any provision of any Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Agreement, Plan, or any amendment thereto.

(h) Other

Sponsor or Escrow Agent will submit a Form 1099-INT to the Internal Revenue Service reporting interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of its Agreement or the Plan. 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 applicable escrow agreement as was

originally provided. A bond, letter of credit or other security may be substituted for the Escrow Account only after the Attorney General approves in writing the use of such alternate form of security.

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

Escrow Agent will maintain all records concerning the Escrow for seven (7) years after the release of funds.

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

3. **Date of the First Closing**

In the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections therefor, and if: (i) such amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after March 1, 2015, the date set forth in Schedule B-1 as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers.

4. **Default**

In the event a Purchaser defaults under an Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives notice to the Purchaser of such default, Sponsor may, at its option, cancel such Agreement and retain, as liquidated damages, the Deposit made by the Purchaser, together with interest earned thereon, if any. It is acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and

agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to and retained by Sponsor as Sponsor's sole and exclusive remedy. In such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

Purchasers are advised that notwithstanding the foregoing, including, without limitation, Sponsor not having the right of specific performance, nothing herein shall be deemed to grant Purchaser any right of rescission and/or right to the return of all or any portion of a Deposit except as expressly set forth in the Plan. In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

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

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

5. **Risk of Loss**

The risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the

Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see Section R entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Deposit, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

6. Financing

Although a Purchaser may obtain financing from any lending institution or any other source, the Purchaser's obligation pursuant to an Agreement to purchase a Unit shall not be contingent on the Purchaser obtaining a commitment for financing or actually obtaining financing for such purchase. In other words, a Purchaser shall remain obligated under an Agreement to purchase his or her Unit whether or not he or she is able to obtain financing. Neither Sponsor nor Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited, and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling or adjournment of closing beyond the expiration of a loan commitment.

7. Transfer (and Mansion) Taxes

As described more fully in Section N below, "Unit Closing Costs and Adjustments," Purchasers shall be responsible (as is customary in condominium offerings) for the payment at closing of all New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax, notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently (as of the date of the filing of this Plan) one percent (1%) of the total consideration paid when the consideration is $1,000,000 or more, which tax, by law is the primary obligation of the Purchaser. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and submissions.

The purchase price and transfer taxes, payable by Purchasers, together with any other amounts paid by Purchaser which are the obligation of Sponsor, will be added together by the

taxing authorities to arrive at total consideration for transfer tax and Mansion Tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

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

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

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

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K. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Closing Counsel, five signed assignments of the Agreement (to be prepared by Sponsor's Closing Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three completed and signed copies of Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Forms W-9, Forms W-8BEN or other appropriate Form W-8, as applicable, must be delivered to the Selling Agent or Sponsor's Closing Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,500 made payable to "Kramer Levin Naftalis & Frankel LLP" (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promoting or publicizing the availability of such Unit(s) for sale shall remain in effect.

In connection with the foregoing, if Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, a limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall be considered an assignment and shall be subject to the provisions, prohibitions and terms of the Plan concerning assignment, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company or other entity, 49% or less of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of 51% or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

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L. EFFECTIVE DATE

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

The Plan may be declared effective, at Sponsor's option, when bona fide Agreements (including those executed by investors) have been executed and are in effect with respect to not less than two (2) Residential Units, representing at least 15% of the Residential Units offered hereby. The Plan must, however, be declared effective when bona fide Agreements have been executed and are in effect with respect to at least eight (8) Residential Units representing 80% or more of such Units.

The Plan will not be declared effective based on an Agreement: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii) signed by a Purchaser not afforded the three (3) business day period to review the Plan (prior to executing an Agreement) provided for in the Section entitled "Procedure to Purchase" above in Part I of the Plan; or (iii) entered into with a Purchaser who is Sponsor, Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such Purchaser is bona fide. Except as otherwise limited by this Section of the Plan, all 10 Units offered for sale hereunder shall be counted toward declaring the Plan effective.

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

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

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

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M. TERMS OF SALE

1. Prerequisites to Closing of Title

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

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

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

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

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

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

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

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

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

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

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

3. **Tax Returns and Power of Attorney**

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

4. **Tax-Deferred Exchanges**

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

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N. UNIT CLOSING COSTS AND ADJUSTMENTS

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

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

2. Recording Charges: The fees charged by the City Register's Office for recording the Unit Deed, Unit Owner Power of Attorney and mortgage (if any), in the amount of $37.00 for each document, plus $5.00 per page (including the cover page), shall be payable by Purchaser, plus the filing fee, if any, for the RP-5217 form shall be payable by the Purchaser. In addition, a Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, which shall be payable by Purchaser.

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

(i) compute the tentative NYC Tax by multiplying the purchase price (and any amounts paid by Purchaser which are the obligation of Sponsor) by the NYC Tax rate;

(ii) compute the tentative NYS Tax by multiplying the purchase price (and any amounts paid by Purchaser which are the obligation of Sponsor) by the NYS Tax rate;

(iii) compute the taxable consideration by adding (i) the tentative NYC Tax and (ii) the tentative NYS Tax to the purchase price (and any amounts paid by Purchaser which are the obligation of Sponsor);

(iv) compute the actual NYC Tax payable by multiplying (iii) the taxable consideration by the NYC Tax rate; and

(v) compute the actual NYS Tax payable by multiplying (iii), the taxable consideration by the NYS Tax rate to determine the.

As an example, in respect of a Unit with a purchase price of $12,000,000 (plus any other amounts paid by the Purchaser which are the obligation of Sponsor), the transfer tax calculation is as follows: (i) $12,000,000 x 1.425% = $171,000 (tentative NYC Tax);

(ii) $12,000,000/$500 x $2 = $48,000 (tentative NYS Tax); (iii) $12,000,000 + $171,000 + $48,000 = $12,219,000 (taxable consideration); (iv) $12,219,000 x 1.425% = $174,120.75 (actual NYC Tax payable); (v) $12,219,000/$500 x $2 = $48,876 (actual NYS Tax payable). Mansion Tax (described below) in the amount of $122,190. would also be payable ($12,219,000 x 1%).

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 Tax rate will be imposed at non-residential rates, i.e., where the consideration is $500,000 or less, the rate will be 1.425%, and where the consideration is more than $500,000, the rate 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. The New York City Department of Finance has taken the position that the consideration for the transfer of a Residential Unit under a deed is not aggregated with the consideration for the transfer of other Residential Units under separate deeds for purposes of determining total consideration. There is no guarantee that the City of New York will not change its positions with respect to the foregoing. In such case, Purchasers may be obligated to pay additional transfer taxes plus additional interest and penalties (if applicable).

Purchaser shall also pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," which is currently (as of the date of this filing) one percent (1%) of the consideration (including such taxes and other amounts paid by the Purchaser which are the obligation of Sponsor that are deemed part of the consideration) when the consideration exceeds $1,000,000.

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

5. Mortgage and Related Costs: If the Purchaser obtains a mortgage loan, the Purchaser will be responsible for the payment of all mortgage recording taxes (taking into account, however, any payments made pursuant to subparagraph (4) above) and closing costs and expenses in connection therewith, in amounts determined by Purchaser's lender, which closing costs may include, but are not limited to, mortgage broker fees, the fees of such lender's counsel, recording charges and mortgage title insurance. Currently, the New York State and New York City mortgage recording tax levied on individual residential condominium Units located in New York City is $2.05 for each $100 (and each remaining major fraction thereof) with respect to mortgages of less than $500,000, and $2.175 for each $100 (and each remaining major fraction thereof) with respect to mortgages in the amount of $500,000 or more (less, in

each case, a $30.00 credit). The two mortgage recording tax rates described in the previous sentence are comprised of the New York City mortgage recording tax ($1.00, or $1.125 in the case of individual residential condominium Unit mortgages in the amount of $500,000 or more); and the New York State Basic ($.50), Additional ($.30); and Special Additional ($.25) mortgage recording taxes. Mortgage lenders may require borrowers to pay mortgage recording taxes. However, with respect to individual residential condominium Units, mortgage lenders may not require borrowers to pay, subject to certain statutory exceptions, the special additional mortgage recording tax, which accounts for $.25 of the New York State rate (as previously described in this paragraph 5). Mortgage lenders also may require borrowers to pay deposits for Common Charges, real estate taxes, fire and casualty insurance premiums, assessments and water charges and sewer rents. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage financing from any sources. As previously stated in subparagraph 4 above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor and such Purchaser will cooperate with Sponsor in obtaining such credit. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

6. Closing Fees: Purchaser will be responsible for payment of the following fees to Kramer Levin Naftalis & Frankel LLP, Sponsor's counsel, in connection with the closing of title to such Purchaser's Unit: (i) the sum of $3,000 to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title to each Unit purchased hereunder, and for each issuance of a Storage License, the sum of $750 to reimburse Sponsor for a portion of its legal fees in connection with processing the issuance of such Storage License; (ii) if the Purchaser requests the closing to occur other than at the offices of Sponsor's counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor consents to such change (in its sole discretion), an attendance fee of $500 (closings may not be scheduled to occur outside Manhattan); (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of $300 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 $1,500, payable in advance, for preparation of an assignment agreement; (v) $250 for the preparation of ACRIS transfer documents required by the City of New York; (vi) if Purchaser obtains mortgage financing, an additional fee of $750 to Sponsor's closing counsel to defray the additional costs associated therewith; and (vii) Purchaser shall pay Sponsor's counsel the sum of $750 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under Section 1031 of the Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

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

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

The following table illustrates the projected closing costs (based on rates in effect as of the initial filing date of this Plan) for a typical Residential Unit purchased by a Purchaser at a Purchase Price of $12,000,000 assuming such Purchaser finances 80% (i.e., $9,600,000) of the purchase price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$29,076
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$135
Mortgage Loan Closing Costs	
- recording mortgage (assuming 20 pages)	$140
- mortgage recording tax (at 2.175% of $9,600,000 less $30.00 credit and 0.25% to be paid by lending institution) (Purchaser may be required to pay a portion of such tax directly to Sponsor)	$208,770
- mortgage title insurance (if purchased simultaneously with fee insurance)	5,971
- other bank charges ("assuming points" of 1% of mortgage amount, an appraisal fee of $400 and legal fees of $500 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$96,900

New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax (approximate)	222,996.75
New York State Mansion Tax	$122,190
Working Capital Payment	$9,574.62
Closing Fee (assuming the closing occurs at the offices of Sponsor's Counsel) and, other than in respect of a mortgage, Purchaser has not incurred any additional fees as set forth above)	$3,000
ACRIS Transfer Document Preparation Fee	$250
Mortgage Closing Coordination Fee	$750
TOTAL	$699,753.37

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

In addition, the closing, adjustments will be made between Sponsor and the Purchaser with respect to: (a) real estate taxes and assessments, if any (including water charges and sewer rents if separately assessed) on the basis of the period for which assessed; (b) Common Charges for the month in which title closes; and (c) accrued rent and any other charges pursuant to any interim lease or occupancy or other rental agreement affecting the Unit, if the Purchaser had been allowed to lease, occupy or rent such Unit prior to the closing. Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Condominium Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed against each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided in the By-Laws.

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O. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's Obligations

a. Construction

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

Based upon the construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Residential Units to begin in or about March 2015. Prospective Purchasers should note, however, that the Residential Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after March 2015, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

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

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

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

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

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

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

improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Unit by Sponsor following the closing for such Unit.

The Housing Merchant Implied Warranty Law (New York State General Business Law Article 36-B) does not apply to this offering. Notwithstanding anything contained herein, Sponsor is obligated to construct the Units and Common Elements in accordance with all applicable building codes and in accordance with the filed Plans and Specifications.

b. **Real Property Law §339-kk**

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

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

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

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

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

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

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

In addition, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant Owner and secured by a Unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the Unit Owner under said loan, (ii) RPL 339-kk's effect on assignments of leases and rents given by a non-occupant Owner to mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board after notice from the Condominium Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's failure to give notice to a tenant, or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant Unit Owner is brought current in payment of Common Charges, assessments and late fees.

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

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

c. **Payment of Expenses**

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

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

d. **Assignment of Warranties**

Upon the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from its contractors, suppliers or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Residential Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto. Certain warranties with respect to the Building will be held by the Condominium Board on behalf of all Unit Owners and/or the Commercial Unit Owner as to whose Units such warranties pertain.

e. **Certificate of Occupancy**

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

In the event that a permanent Certificate of Occupancy has not been issued for the Buildings as of the First Closing, Sponsor is required to maintain all Deposits and funds paid on account of Unit Purchase Prices (but no any payments given for special work ordered by Purchasers) in the special escrow account required by General Business Law Section 352-e(2)(b), unless Sponsor's engineer, architect, construction manager or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work remaining to be done by Sponsor in order to obtain such permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by Sponsor's engineer, architect, construction manager or other qualified expert may be released from the special escrow account. Alternatively, Sponsor may place in escrow with Escrow Agent an unconditional irrevocable letter of credit, a surety bond from an institutional lender or recognized bonding company acceptable to the Department of Law, or cash, in each case in an amount that when added to the Deposits being maintained in the special escrow account, will equal not less than the amount so certified. Sponsor may also use as collateral to similarly secure its obligation to obtain a permanent Certificate of Occupancy, the unfunded portion of a construction loan (if any) or other collateral acceptable to the Department of Law and disclosed in an Amendment to this Plan. If Sponsor has placed cash in escrow, such funds will be held by Sponsor's Counsel in escrow in a separate bank account. All interest and income on such escrowed funds will be paid to Sponsor, as and when earned and collected.

As the work progresses, Deposits held for Units conveyed to Purchasers may be released to Sponsor by Escrow Agent from time to time, provided the remaining Deposits maintained in the special escrow account, together with said unfunded construction loan (if any) or other acceptable collateral, shall be not less than the amount then so certified to be reasonably necessary to complete all remaining work in order to obtain a permanent Certificate of Occupancy. Escrow Agent will rely entirely upon such certificate in releasing such funds or other collateral and will not make any independent inquiry or evaluation. Any remaining balance of the escrow funds and/or other collateral will be released to Sponsor upon the issuance of a permanent Certificate of Occupancy for the Buildings. If Sponsor has deposited a letter of

credit or surety bond, it will be subject to periodic reduction in amount upon the same terms as described above for the reduction and release of a cash deposit.

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

f. **Architect's Inspection and Certification**

In accordance with Section 339-p of the New York Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with appropriate governmental authorities. In addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building is constructed in accordance with such plans. The inspection reports shall be available at Sponsor's Office and the Department of Law for examination by the Condominium Board for a period of six years from the date of the Plan.

g. **Payment of Common Charges and Real Estate Taxes**

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

h. **Insurance**

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

i. **Right of Access**

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling

Sponsor's obligations under the Plan, performing certain alterations and repairs in or about the Unsold Units and exercising its other rights or performing its other obligations under the Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

j. **Dissolution**

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

k. **Use of Unsold Units**

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

Notwithstanding the foregoing or anything contained herein, in the Declaration, By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Unit(s) as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations as to any such use.

l. **Alterations of Unsold Units**

Sponsor shall have the right, pursuant (and subject) to the terms of the Declaration and the By-Laws, as the same may be amended from time to time, without the approval of the Board or any other Unit Owner or any Mortgagee, to make any alterations, additions, improvements or repairs in or to any Unsold Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, the right to combine two or more Unsold Units, or to add more Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of any Unsold Unit. Furthermore, Sponsor shall generally have all rights set forth above with respect to unlicensed Resident Storage Rooms as are applicable to Unsold Units. An initial purchaser of an Unsold Unit shall

have the right, without the approval of the Board, but subject to By-Laws provisions regarding the same, to make any alterations, additions, improvements or repairs in or to such Unit or to exceed the load limitations for any terraces appurtenant to such Unit (as set forth herein and in the Rules and Regulations), provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. Absent Sponsor's consent thereto, Purchasers shall have rights in respect of alterations as are set forth in Article 6 of the By-Laws and described generally in Section R of the Plan entitled "Rights and Obligations of the Unit Owners and the Condominium Board of Managers" below.

m. **General**

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

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

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

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

n. **Successors to Sponsor**

Sponsor reserves the right to sell ten (10) or more units or twenty percent (20%) or more of the total number of units in the Condominium, whichever is less, to a single

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

o. **Reservation of Air and Development Rights**

The Owner of the Commercial Unit has retained and expressly reserves all excess air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the board of managers or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible or may be limited. Further, as a result of such reservation by the Owner of the Commercial Unit, such Owner may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Air Rights reserved by the Owner of the Commercial Unit will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Air Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In addition, the Owner of the Commercial Unit has no plans at this time to utilize or transfer any such excess Air Rights outside the envelope of the Commercial Unit.

p. **Miscellaneous**

The owner of the Commercial Unit and/or its designee (and their respective successors and assigns) shall have an easement to erect, use, lease, license, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building (which is otherwise a Common Element) that is not occupied by any Building installations, without the consent of, or charge by, the Condominium Board or any other Unit Owners. The owner of the Commercial Unit shall have the right to create additional Commercial Units consisting of portions of the Commercial Unit, each of which shall have an appurtenant easement to use a portion of the Commercial Unit's platform and other facilities on the roof of the Building, upon which such additional Commercial Unit Owner (or its tenant or licensee) may erect, use, lease, license, maintain, repair, replace and operate antennae, satellite dishes and other telecommunications equipment. If such additional Commercial Units are created, the percentage interest in the Common Elements allocated to the Commercial Unit, together with all such additional Commercial Units, and the percentage interests of all other Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by such Commercial Unit Owner(s) shall be the obligations and rights, respectively,

solely of such Commercial Unit Owner(s) and not of the Condominium or any other Unit Owner. The Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

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

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P. CONTROL BY SPONSOR

Until the first annual meeting of the Unit Owners (the "First Annual Meeting"), the Condominium Board shall consist of three persons designated by Sponsor. Sponsor anticipates designating the following persons as the initial Board members (all of whom are experienced in real estate matters and familiar with the Property): David Neveloff, Richard Murphy, and Joshua Neuman. Sponsor will amend the Plan prior to the First Closing in the event such three persons shall not constitute the initial Board members. The First Annual Meeting shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers; and at such meeting, the incumbent three-member Board designated by Sponsor will resign and a new Board, consisting of four members, will be elected and/or designated by the Unit Owners and Sponsor, as the case may be, as described below. As a result of the foregoing, there is no provision in the By-Laws that assures a majority of the Condominium Board (or the holders of a majority of the voting interests of the Condominium Board) will be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals within two years after the First Closing. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the condominium.

From and after the First Annual Meeting, the Condominium Board shall consist of four members – three members elected by the Unit Owners (including Sponsor) who will each be entitled to one vote in all matters which require a vote of the entire Condominium Board, and one member designated by the Commercial Unit Owner, who will be entitled to one vote in all matters which require a vote of the entire Condominium Board. The Commercial Unit Owner shall at all times have the right to designate such Board member as aforesaid.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appertaining to the Units owned by Sponsor as it sees fit. In addition, at elections of the Condominium Board held before the expiration of the Initial Control Period, Sponsor and/or its designee shall have the right to elect and/or designate not more than two members of the Condominium Board, in the aggregate (exclusive of the Commercial Unit Owner's appointee, even if the Commercial Unit is then owned by Sponsor), who are related to or affiliated with Sponsor, such designee or other Unsold Unit Owner(s), and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining member of the Condominium Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Unit Owners.

Accordingly, until the expiration of the Initial Control Period, if: (i) Sponsor (or its affiliate) owns the Commercial Unit, Sponsor and/or its designee shall designate the member of the Condominium Board designated by the Commercial Unit Owner and two additional members of the Condominium Board (all of whom may be persons related to or affiliated with Sponsor and/or its designee or other Unsold Unit Owner) and Sponsor, such designee and all other Unit Owners shall elect the remaining Board member; and (ii) Sponsor (or its designee) is not entitled

to appoint the member of the Condominium Board to be designated by the Commercial Unit Owner, Sponsor and/or its designee shall designate two members of the Condominium Board (each of whom may be persons related to or affiliated with Sponsor and/or its designee or other Unsold Unit Owner), the Commercial Unit Owner shall designate the member of the Condominium Board to be designated by the Commercial Unit Owner, and Sponsor and/or its designee and all other Unit Owners shall elect the remaining Board member.

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

In addition, at elections of members to the Condominium Board held after the expiration of the Initial Control Period but while Sponsor and/or its designee still owns at least one Residential Unit, Sponsor and/or its designee shall have the right to elect or designate not more than one member of the Condominium Board (in addition to any member(s) designated by Sponsor as the Unit Owner of the Commercial Unit, who may be persons related to or affiliated with Sponsor, such designee or other Unsold Unit Owner; and Sponsor, such designee and all other Unit Owners shall have the right to elect (or in the case of the Commercial Unit Owner, to designate) the remaining members of the Condominium Board.

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

Until Sponsor no longer designates a majority of the members of the Condominium Board, Sponsor will, through its control of the Condominium Board, be able to control the maintenance and operation of, and the services to be provided by, the Condominium, and also the determination of Common Charges to be paid by all Unit Owners. Prospective Purchasers should be advised that Unit Owners, Unit occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., for use as a home as opposed to as an investment.

Moreover, during the Initial Control Period, the Condominium Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (unless any such borrowing is approved by the owners of Units representing at

least 66-2/3% in aggregate Common Interests of all Units); or (vi) exercise any right of first refusal or waiver thereof, to lease or purchase a Residential Unit. However, the Condominium Board may perform any function or take any action enumerated in subsections (i) through (v) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Condominium Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

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

Sponsor shall have the right, in its sole and absolute discretion, to cause the Condominium Board to waive the collection of some or all of the Common Charges from Unit Owners for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Building during the Waiver Period (the "Operating Expenses"). In connection with the Waiver Period, (i) if the collection of Common Charges will be delayed, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such Waiver Period; (ii) Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration; (iii) during any such Waiver Period, Sponsor will timely pay all expenses of the Condominium, including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents.

All Operating 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 – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B – "Projected Budget for First Year of Condominium Operation" will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes. In addition, each Purchaser shall be responsible for payment of its 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 in proportion to their respective Common Interest, as more particularly set forth in Schedule A. Sponsor, in its

sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period.

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Q. THE CONDOMINIUM BOARD

1. General

The affairs of the Condominium shall be governed by the Condominium Board. The Condominium Board shall initially consist of three members designated by Sponsor until the First Annual Meeting of Unit Owners. Sponsor anticipates designating the following persons as the initial Board members (all of whom are experienced in real estate matters and familiar with the Property): David Neveloff, Richard Murphy, and Joshua Neuman (who will hold the offices of President, Vice President and Secretary/Treasurer, respectively), all of whom are employed by Sponsor, and none of whom have any relationship with Sponsor's attorney other than in such capacity, and other than David Neveloff, who is related to a member of the firm of Sponsor's attorney. At the First Annual Meeting, the incumbent Board will resign and a new Board, consisting of four members, will be elected and/or designated by the Unit Owners and Sponsor, as the case may be, as follows: three members elected by the Unit Owners (including Sponsor), who will each be entitled to one vote in all matters which require a vote of the Condominium Board, and one member designated by the Commercial Unit Owner, who will be entitled to one vote in all matters which require a vote of the entire Condominium Board. The Commercial Unit Owner shall at all times have the right to designate one such Board member as aforesaid. The First Annual Meeting shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. (See Part I, Sections P and R). As a result of the foregoing, there is no provision in the By-Laws that assures a majority of the Condominium Board (or the holders of a majority of the voting interests of the Condominium Board) will be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals within two years after the First Closing. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the condominium. (See "Meetings and Votes of Unit Owners" in this Section below and "Control by Sponsor" in Part I, Section P).

The term of office of each of the four members comprising the Condominium Board elected or designated at the First Annual Meeting shall be fixed at such meeting as follows: (a) two of such members will serve for a term of approximately three years; (b) one of such members will serve for a term of approximately two years; and (c) one of such members will serve for a term of approximately one year. Those members of the first four-member Board who receive the highest number of votes will serve for the longest terms of office, but except as set forth in the By-Laws, any members elected or designated by Sponsor or its designee as the owner of Unsold Units or by the Commercial Unit Owner shall serve for the shortest terms of office. At each annual meeting of Unit Owners subsequent to the first such meeting, the Unit Owners shall elect (or in the case of the Commercial Unit Owner, designate) Board members to replace the Condominium Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the Condominium Board or anything contained herein to the contrary, each member

of the Condominium Board (including any member designated by Sponsor or its designee as the owner of Unsold Units) shall serve until a successor has been elected and qualified. Subject to the requirements described in the Section of the Plan entitled "Control by Sponsor", there shall be no limit on the number of terms of office, successive or otherwise, that a Board member (including any member of the Condominium Board designated by Sponsor or the Commercial Unit Owner) may serve.

Except for Board members elected or designated by Sponsor or its designee or by the Commercial Unit Owner, all members of the Condominium Board shall be: (i) individual Unit Owners or Permitted Mortgagees of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering, a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning, or holding a Permitted Mortgage encumbering, a Unit; (v) fiduciaries or their beneficiaries who are owners or Permitted Mortgagees of Units (or officers, directors, employees or stockholders of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a mortgagee of a Unit. Other than Board members elected or designated by Sponsor or its designee or by the Commercial Unit Owner, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

Prospective Purchasers are advised that Unit Owners, Unit occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., for use as a home as opposed to as an investment.

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

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

2. **Powers and Duties of and Determinations by Condominium Board**

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall be by majority of the votes

cast at any meeting at which a quorum is present, unless otherwise expressly provided in the By-Laws.

3. **Meetings and Votes of Unit Owners**

After the First Annual Meeting as described above, annual meetings of Unit Owners will be held within approximately four weeks of the anniversary of the First Annual Meeting on a date to be set by the Condominium Board. At each such meeting, the Unit Owners shall elect or designate, as the case may be, members to replace those members of the Condominium Board whose terms have expired. In addition, special meetings may be held from time to time pursuant to the By-Laws. At all meetings of Unit Owners, the presence in person or by proxy of more than 30% of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of votes cast at any such meeting at which a quorum is present or is not required shall be binding on all Unit Owners.

Each Unit Owner, upon obtaining title, will in accordance with Section 339-e of the Real Property Law, automatically have the right to vote at all meetings of the Unit Owners, based upon the Common Interest appurtenant to each of the Unit or Units owned by such Unit Owner, and at all such meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to his or her Unit or Units (provided, however, that if Sponsor or its designee has exercised its right to designate a Board member, it shall not be entitled to vote for Board members in addition to those it has designated).

4. **Officers**

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

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

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

5. **Liability of the Condominium Board and the Unit Owners**

To the extent permitted by applicable law, Board members shall have no liability to the Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct. All

Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of the bad faith or willful misconduct of such member.

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R. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE CONDOMINIUM BOARD OF MANAGERS

1. Sales and Leases of Units

Each Residential Unit Owner may sell his or her Unit or lease his or her Unit for terms of one (1) year or more, provided, in each case, such Unit Owner first gives the Condominium Board notice of intention to sell or lease such Residential Unit, accompanied by a fully executed copy of the contract of sale or lease, as the case may be. The Condominium Board shall then have the right to purchase or lease the Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically set forth in Article 8 of the By-Laws. If the Condominium Board does not elect to purchase or lease the Residential Unit within 20 days after receipt of the notice, or waives such election in writing, the Residential Unit Owner will have 60 days thereafter to consummate the transaction set forth in the contract of sale or lease with the prospective purchaser or lessee, as the case may be, as more particularly set forth in Section 8.1 of the By-Laws. In the event that such sale or lease is not consummated, or if such contract or lease is renegotiated or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Residential Unit Owner, the Residential Unit Owner will be required again to offer the same first to the Condominium Board. The Condominium Board may in its sole discretion and without the approval of the Unit Owners, obtain and close on mortgage loan financing in such amount as it determines, subject to limitations hereafter set forth, to finance the purchase of any Residential Unit as to which the Condominium Board exercises its right of first refusal as set forth in Article 8.1 of the By Laws, provided that: (i) such mortgage is secured by a first lien on the Residential Unit being purchased, and ii) the principal amount of such mortgage does not exceed the purchase price for the Residential Unit plus the amount of closing costs incurred by the Condominium Board in connection with such purchase and related mortgage financing.

As to any purchase of a Residential Unit by the Condominium Board, and related mortgage loan financing, pursuant to the exercise by the Condominium Board of its right of first refusal under said section: (i) the Condominium Board shall be required to comply with the all terms related to financing of purchase of such Residential Unit as are contained in the Sale Agreement for such Residential Unit as negotiated by the Residential Unit Owner and as presented to the Condominium Board pursuant to Section 8.1, and (ii) the Condominium Board shall be required to close on its purchase of such Residential Unit within sixty (60) days of the date set for closing in such Sale Agreement or 60 days of date of notification of exercise of right of first refusal, whichever is later. If the Condominium Board exercises its right of first refusal to purchase or to lease pursuant to Section 8, the Offeree Unit Owner shall have the right to proceed with sale or lease to the Condominium Board, or alternately, shall have the right to withdraw the Sale Agreement or Lease, as applicable, as presented to the Condominium Board. The Offeree Unit Owner must notify the Condominium Board of any such withdrawal within five (5) days of the Offeree Unit Owner's receipt of notice of the Condominium Board's exercise of its right of first refusal. Any such lease shall be in the form and substance then approved by the Condominium Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Condominium Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners. Notwithstanding anything contained herein or in the Declaration or By-Laws to the contrary, the

Commercial Unit Owner shall not under any circumstances bear any costs, expenses, or liabilities as a result of the purchase of any Residential Unit by the Board or its designee.

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

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

Notwithstanding the foregoing, without complying with the foregoing restrictions, a Residential Unit Owner may sell, lease or convey his or her Residential Unit, and the owner of any interest in a Residential Unit Owner which is a corporation, partnership, limited liability company or other entity, may sell, lease or convey such interest, to an affiliate or one or more family members, as hereinafter defined, or convey a Residential Unit or interest in a Residential Unit Owner, as the case may be, by gift, or devise it by will, or have it pass by intestacy. (An "affiliate" is defined for purposes hereof as a person or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns 50% or more of the legal and beneficial interest, and "family member" is defined for purposes hereof as a spouse, adult child, parent or adult sibling, or a trust for the benefit of any one or more of the foregoing and/or one or more minor children of any of the foregoing.) Article 8 of the By-Laws more specifically describes the right of first refusal and those situations in which a Residential Unit Owner may sell or convey his or her Residential Unit to a related or controlled individual or entity.

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

Subject to the Commercial Unit Owner's compliance with Article 8.3 of the By-Laws, there shall be no restrictions on the rights of the Commercial Unit Owner to sell or lease the Commercial Unit, provided that any deed or lease to such Unit shall expressly state that the acceptance thereof by the grantee or tenant, as applicable, shall constitute an assumption of all of the provisions of the Declaration and the By-Laws, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

Each conveyance of a Unit by the Owner thereof shall include as part of the property to be conveyed, such Unit Owner's (i) undivided interest in the Common Elements, (ii) undivided

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

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. In addition, the Condominium Board may establish reasonable fees for the processing of such offers for sale or lease, which shall be payable by the selling or leasing Unit Owner to the Managing Agent. Notwithstanding the above, no such fees shall be established for sales or leases of Unsold Units.

2. **Assignment of Resident Storage Room Licenses**

The holder of a Resident Storage Room License must at all times be a Residential Unit Owner or permitted lessee thereof; provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designees; or (ii) to the Condominium Board or its designees. If the Board terminates a Resident Storage Room License or a Residential Unit Owner surrenders a Resident Storage Room License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Resident Storage Room License for the corresponding Resident Storage Room upon terms and conditions determined in its sole discretion. If at any time the licensee of a Resident Storage Room sells or leases its Residential Unit, it shall simultaneously assign its license of the Resident Storage Room to another owner of a Residential Unit, or permitted lessee of such Unit, as applicable, and if it fails to do so, the Condominium Board shall have the right to terminate the license of the Resident Storage Room and take possession of the same, without compensation to the licensee.

Upon the issuance of a Resident Storage Room License to a Residential Unit Owner, such Unit Owner may freely assign such license without the consent of the Board; provided such assignee is also a Residential Unit Owner or permitted lessee of such Residential Unit; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability nor obligation with respect to a private assignment of a Resident Storage Room License.

Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Resident Storage Room licenses for Resident Storage Rooms and to retain the proceeds thereof. Sponsor reserves the right for itself and its designees to use any unlicensed Resident Storage Rooms for any lawful purpose or to change the permitted use of any unlicensed Resident Storage Rooms, subject, however, to the provisions of the Declaration.

3. **Use of Residential Units and Resident Storage Rooms**

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Residential Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted

lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit including, without limitation, as part of a travel club or any enterprise having similar attributes; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing.

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

Resident Storage Rooms may only be used for storage purposes, or as otherwise permitted by Legal Requirements, provided that no materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Resident Storage Rooms for any lawful purpose or to change the permitted use of any unlicensed Resident Storage Rooms, subject, however, to the provisions of the Declaration. The form of the Agreement to be used for licensing the use of such Resident Storage Rooms to individual Residential Unit Owners is included in Part II of this Plan as Exhibit 10. The Resident Storage Rooms will remain Residential Limited Common Elements, and will not be conveyed to Purchasers.

Holders of Resident Storage Room Licenses will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot of space (as reflected in the Floor Plans) of such Resident Storage Room, which amount shall, following the fifth anniversary of the first closing of a Residential Unit ("First Closing"), be subject to annual increases based upon the Consumer Price Index in effect on the date of the First Closing. Sponsor shall not be responsible for paying the aforementioned monthly license fee for unlicensed Resident Storage Rooms.

4. **General Provisions with Respect to Use**

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

The Rules and Regulations concerning the use of the Residential Units may be amended from time to time by the Condominium Board, provided that copies thereof are furnished to each Residential Unit Owner prior to the time that they become effective. Further provisions with respect to the use of the Units are set forth in the By-Laws and the Rules and Regulations. However, no amendment of the Rules and Regulations will apply to Sponsor or the Unsold Units, unless agreed to by all the owners of same who are affected by such amendment. Notwithstanding the foregoing, the Rules and Regulations are not applicable to the Commercial Unit.

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

5. **Mortgage of Units by Unit Owners**

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

6. **Common Charges: Determination and Assessment**

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

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

The Condominium Board will furnish copies of the budgets to all Unit Owners and advise each Unit Owner of the amount of Common Charges payable. Unless otherwise

determined by the Condominium Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month.

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

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

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

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Pursuant to Section 339-aa of the Real Property Law, any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. Such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Residential Unit Owners) in the same manner as the foreclosure of a mortgage on real property, or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Condominium Board may assess Unit Owners a late charge of $.04 for each dollar of Common Charges which remains unpaid for more than 10 days after the date when due, and interest at the rate of 1.50% per month on such unpaid amounts (plus any "late charges" theretofore collected), plus all expenses of collection. Sponsor obligates itself to cause any members of the Condominium Board related to or affiliated with Sponsor to vote in favor of

filing a lien against any Unsold Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due.

8. **Borrowing by Condominium Board**

The Condominium Board may, at any time, borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as otherwise provided in the By-Laws, the consent of at least 66-2/3% in common interest of all Unit Owners (which shall include the consent of the Commercial Unit Owner) or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Limited Common Elements, respectively, if such borrowings are in excess of $100,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year (regardless of the balance of loans outstanding from previous years); (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (C) no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Residential Limited Common Elements exclusively, and the loan documentation in such case shall so provide. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

9. **Repairs to and Maintenance of Units and Common Elements**

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

Each Unit Owner shall promptly comply with all Legal Requirements applicable to his or her Unit. No Unit Owner shall use or permit the use of Hazardous Materials (as defined in the By-Laws) on, about, under, or in his or her Unit or the Property. Each Unit Owner agrees to

indemnify and hold harmless the Condominium Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property.

The washing and cleaning of interior and exterior glass surfaces of windows in the Residential Units shall be the responsibility of the respective Residential Unit Owners. Residential Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise.

Subject to the foregoing, the washing and cleaning of the interior and exterior side of Unit windows shall be the responsibility of the respective Unit Owners. All window interiors shall be cleaned a minimum of two times per calendar year. The Condominium Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, or any replacement of glass windows in any Unit because of breakage or otherwise, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Condominium Board shall be paid by such Unit Owner. Neither the interior nor the exterior glass surfaces of any windows located in any Residential Unit may be altered, colored or painted.

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

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

10. Alterations and Improvements of Units

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

as otherwise permitted in the Declaration and By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

The Commercial Unit Owner may make Alterations in or to the Commercial Unit (including any decorations that are compatible with the first class character and location of the Building, and installing equipment on any rooftop area but only to the extent otherwise provided in the Declaration or herein, and also including, without limitation, performing structural or nonstructural, interior or exterior (including to the façade of the Commercial Unit), ordinary or extraordinary work) provided, which, in each such case, comply with applicable Legal Requirements, without obtaining the approval of the Board, except that Alterations which would have a material and adverse effect on the structural, mechanical, electrical or plumbing elements of the Building, shall be subject to the approval of the Board, which shall not be unreasonably withheld. In the event that a dispute arises between a Commercial Unit Owner and the Board regarding any Alteration subject to the Board's approval (or which the Board asserts is subject to its approval), such dispute shall be submitted to arbitration in accordance with the terms of Article 11 of the By-Laws, provided that the parties shall cause such arbitration to proceed in an expedited manner. A Commercial Unit Owner will be granted reasonable access to all parts of the Building (other than the interior of Residential Units) to which such Commercial Unit Owner reasonably requires access in order to perform any work or alterations desired by the Commercial Unit Owner thereof and permitted or required to be made by such Commercial Unit Owner hereunder.

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

The foregoing restrictions affecting Residential Units shall not apply to Sponsor or its designee in respect of the Unsold Units or to the Commercial Unit. There are no restrictions on

the ability of Sponsor or its designee to alter or improve any Unsold Unit (including, without limitation, dividing, subdividing and combining one or more Unsold Units or portions of same). Additionally, to the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit Owner will have the right with regard to its Unit, without the consent of the Condominium Board, the Managing Agent, other Unit Owners, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements to its Unit (except that alterations, additions or improvements which would affect the structural, mechanical, electrical or plumbing elements of the Building or the exterior appearance of the Building shall be subject to the approval, not to be unreasonably withheld, of the Condominium Board) and to combine or subdivide its Commercial Unit into one or more new constituted Commercial Units.

Furthermore, an initial purchaser of an Unsold Unit shall have the right, without the approval of the Condominium Board, to make any alterations, additions, improvements or repairs in or to such Unit or to exceed the load limitations for any terraces appurtenant to such Unit (as set forth herein and in the Rules and Regulations), provided that such purchaser obtains all necessary approvals required by law, obtains insurance, as required and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion.

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

11. Alterations and Improvements of Common Elements

Generally, all alterations, additions or improvements in or to the Common Elements will be made by the Condominium Board. Except as otherwise provided in the By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Limited Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Condominium Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $100,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Condominium Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges.

Any additions, alterations, or improvements costing $100,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Condominium Board without the approval of the Unit Owners.

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

In addition, Sponsor (or its designee or other owner of Unsold Units) and the Commercial Unit Owner shall have such rights as are described in the Declaration, to erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold 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.

12. **Rights of Access**

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

In the event that the Condominium Board or any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by the Condominium Board or Unit Owner, or in the event of any breach of the Declaration, By-Laws or Rules and Regulations, Article 6 of the By-Laws provides for certain specified rights to perform such maintenance or repairs or cure such breach.

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

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

14. Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and owners of Units representing at least 75% in number and aggregate Common Interests of all Units do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, improvements, furnishings and other personal property not constituting a part of such Unit).

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

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

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Condominium Board exceed $2,500,000, the 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 Sections 6.4.3 and 12.7 of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Notwithstanding any of the foregoing, if three-fourths or more of the Building is destroyed or substantially damaged and if owners of Units representing at least 75% in number

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

15. Insurance

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

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

Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

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

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

All such policies of physical damage insurance which the Condominium Board is required to maintain shall contain, to the extent obtainable at commercially reasonable premiums, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees, who have requested the same from the Condominium Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Condominium Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

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

Board, the Managing Agent, each Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereof. The insurance required in accordance with this paragraph shall also cover cross-liability claims of one insured against another.

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

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

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

16. Liability of Condominium Board and Unit Owners

Every contract made by the Condominium Board, any officer of the Condominium, or the Managing Agent shall state that (a) it is being executed by such party only as agent for all Unit Owners, and such Board members, officer or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) to the extent permitted by applicable Legal Requirements, or as otherwise

determined by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest.

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

17. Amendments to Condominium Documents

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

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

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

Notwithstanding any provision contained herein or in the Declaration or By-Laws to the contrary, neither the Declaration nor the By-Laws may be amended, modified or terminated in any manner which adversely affects a Commercial Unit or a Commercial Unit Owner without the consent of the affected Commercial Unit Owner.

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

18. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless the Condominium shall be terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time, if any, as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 80% in both number and aggregate Common Interests of all Unit Owners as set forth in the Declaration and the By-Laws.

Sponsor will not vote its interests appurtenant to Unsold Units in favor of such withdrawal unless at least 80% in number and aggregate Common Interests of all other Unit Owners elect to withdraw, at which time Sponsor may choose to vote its Common Interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

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

19. Units Acquired by the Condominium Board

All Units acquired or leased by the Condominium Board (including the Commercial Unit) or its designee shall be held by the Condominium Board, or its designee, on behalf of all

Unit Owners in proportion to their respective interests in the Common Elements, unless such Unit is a Residential Unit, in which case such Unit will be acquired or leased on behalf of the Residential Unit Owners only, in proportion to each Residential Unit's respective percentage of Common Interest compared to the total of all Residential Units, and the Commercial Unit Owner shall not bear any costs, expenses or liabilities in connection therewith. No Units held by the Condominium Board shall carry any voting rights.

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

20. Procedure to Review Real Estate Tax Assessments

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

In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

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

21. Mechanics' Liens

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

cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent acting on its behalf.

22. **Easements**

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

Among other things, Sponsor shall also have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect maintain and replace satellite communication equipment and similar equipment, as permitted by law, on the roofs and facade of the Building and elsewhere on the Common Elements which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor and the owner of any Unsold Units shall have an easement to erect, maintain, repair and replace any signs, awnings, marquees, canopies, banners, flags, pennants, aerials, antennas or the like (each a "Sign") permitted by law on the Property (including, without limitation, on its roof and exterior walls) for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

23. **Signage**

There will be signs, notices, advertisements and illuminations (collectively "Signage") on various exterior portions of the Building, on or at windows and in interior public spaces of the Building, which may be affixed by Sponsor, the Condominium Board and/or the Commercial Unit Owner, all as and to the extent provided in the Declaration and/or By-Laws. Sponsor makes no representation and shall have no liability whatsoever with respect thereto. Except as may otherwise be expressly provided in the Declaration and/or By-Laws, no Residential Unit Owner may install, inscribe or expose any signage on or at any window or any other part of the Common Elements.

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S. REAL ESTATE TAXES

The projection of the real estate taxes that will be payable for each of the Units during the projected First Year of Condominium Operation is based upon an estimate that the aggregate real estate taxes for the Residential Units for such first year will be approximately $1,446,423, including $1,018,408 attributable to the Residential Units, and $428,015 attributable to the Commercial Unit. This estimate has been based upon: (a) estimates made by Marcus & Pollack LLP, Sponsor's real estate tax consultant, that: (i) the approximate assessed values of the Units during the 2014/2015 tax year, will be as follows: Residential Units: $7,150,000, and Commercial Unit: $3,850,000; and (ii) the assessed values of the Units during the 2015/2016 tax year, will be as follows: Residential Units: $8,014,500, and Commercial Unit: $4,315,500; (b) a projection that the tax rate in effect for the 2014/2015 and 2015/2016 tax years will amount to 13.181% as to the Residential Units and 10.288% as to the Commercial Unit.

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

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board a share of the Property's real estate taxes for the period in question calculated by allocating the total real estate taxes for the Condominium among the Units on the basis of the percentage Common Interest set forth in Schedule A. The Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I, Section R, for further discussion.) A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

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

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

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T. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the Plan was prepared by Sponsor based, in part, upon the opinion of Sponsor's Counsel, a copy of which opinion is included herein in Part I, Section U of the Plan. Prospective Purchasers should refer to such opinion letter itself for a more detailed discussion of the tax consequences summarized below.

Prospective Purchasers should note that the opinion letter addresses the tax consequences that would result from the ownership of a Residential Unit by an individual resident of New York City for use as a qualified residence, as further described herein. The opinion letter does not address, among other things, the tax consequences that might result from the ownership or occupancy of a Residential Unit by a taxpayer who is not an individual and a resident of New York City for tax purposes, including corporations and other entities, and foreign individuals or entities. It also does not address the tax consequences that might result from the ownership or occupancy of a Residential Unit that is held by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income. Further, the opinion does not address the tax consequences that might result from the ownership or occupancy by any person or entity of a Resident Storage Room License or the Commercial Unit.

KRAMER LEVIN NAFTALIS & FRANKEL LLP IS COUNSEL TO SPONSOR AND NOT TO ANY PURCHASER UNDER THE PLAN. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL, ACCOUNTANT OR OTHER FINANCIAL ADVISOR AS TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF A RESIDENTIAL UNIT.

1. Deductibility of Real Estate Taxes and Mortgage Interest

Each Residential Unit Owner will own legal (fee simple) title to his or her Residential Unit, together with an undivided interest in the Common Elements. Subject to certain restrictions, each Residential Unit Owner may mortgage his or her Residential Unit, and thereby become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Additionally, each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. As a result, each Residential Unit Owner will be individually liable for the real estate taxes and assessments levied against his or her Residential Unit.

Generally, it is the opinion of Sponsor's Counsel that each Residential Unit Owner who itemizes deductions will, under the present income tax laws and regulations, for Federal, New York State and New York City income tax purposes, subject to certain qualifications and limitations discussed below, be entitled to a deduction for:

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; and

(b) "qualified residence interest" paid by such Residential Unit Owner with respect to such Residential Unit.

Qualified residence interest includes interest paid by the Residential Unit Owner on: (i) debt used to acquire, construct or substantially improve any "qualified residence," as defined below, and secured by such residence, up to $1,000,000 in the aggregate ($500,000 in the case of a married individual filing a separate return); and (ii) in general, other indebtedness secured by a qualified residence which does not exceed such qualified residence's net equity, up to $100,000 in the aggregate ($50,000 in the case of a married individual filing a separate return). Interest on home mortgage indebtedness in excess of these limitations is not deductible.

A "qualified residence" means: (i) the "principal residence" of the Residential Unit Owner and (ii) one other residence selected by the Residential Unit Owner, provided that, if such other residence is rented at any time during the taxable year, it will not be a qualified residence unless the taxpayer uses it for personal purposes for a number of days which exceeds the greater of (i) fourteen (14) days or (ii) ten percent (10%) of the number of days during such year for which such units is rented at a fair value.

Prospective Purchasers should note that, for federal tax purposes, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances), and that the deductions for state and local real property taxes and qualified residence interest may be subject to the overall limitation on the allowance of itemized deductions for federal income tax purposes. No deduction for state and local real property taxes is permitted for purposes of the federal alternative minimum tax and interest deductions may be limited for such purposes. New York State and New York City limitations on deductions may also apply.

2. **Taxation of the Condominium**

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of Code section 528(c) and, therefore, could elect to be exempt from Federal income tax on its exempt function income. In order for a condominium board to qualify to make such an election, Code section 528 requires, among other things, that substantially all of the units in the condominium be used by individuals for residences. The Treasury Regulations promulgated under Code section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. As it is currently anticipated that less than eighty-five percent (85%) of the total square footage of all the Units in the Condominium will be used by individuals for residential purposes, the Condominium Board will not be eligible to elect to be treated as a homeowners association.

Absent the application of Code section 528, the status of a condominium board for Federal, New York State, and New York City income tax purposes is not clear, as will be the case with respect to the Condominium Board. If the Condominium Board does not qualify under section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium Board derived from Residential Unit Owners ("membership

income") and others ("nonmembership income") in excess of appropriate deductions and credits. It is possible that the Condominium Board could be viewed as an agent or conduit for Residential Unit Owners, in which case each Residential Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium Board should be treated as a separate entity. In that case, it is unclear whether the Condominium Board would be taxable as a corporation or treated as a partnership. If the Condominium Board is taxable as a corporation, it would be considered separate taxpayer with respect to income and deductions, and return filing requirements and would be subject to Federal corporate income tax. If the Condominium Board is treated as a partnership, the Residential Unit Owners would be subject to Federal, New York State, and New York City income tax on the taxable income of the Condominium Board. In determining the taxable income of the Condominium Board, the Condominium Board's deductions attributable to furnishing services to Residential Unit Owners may be limited to their membership income. Certain amounts expended for the benefit of Residential Unit Owners, and possibly rebates, if any, to Residential Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

No representations or warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the deductions mentioned in this Section T or that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Sponsor's counsel bases its opinion, will not change. In addition, no warranties are given by Sponsor, Sponsor's counsel, the Selling Agent, the Managing Agent or any other person connected with this offering, with respect to the tax consequences of the Plan or the tax consequences of ownership of any Residential Units offered under the Plan, and no one has been authorized to give any such representations or warranties.

Internal Revenue Service Circular 230 Disclosure. This discussion was written to support the promotion or marketing of the sale of Residential Units. To ensure compliance with requirements imposed by the Internal Revenue Service, Purchasers are advised that this discussion was not intended or written to be used, and cannot be used, by any taxpayer, including purchasers of Residential Units, for the purpose of avoiding tax-related penalties that may be imposed on the taxpayer under the Code. Purchasers of Residential Units should seek advice based on their particular circumstances from an independent tax advisor.

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U. OPINIONS OF COUNSEL

1. Income Tax Opinion of Sponsor's Counsel

KRAMER LEVIN NAFTALIS & FRANKEL LLP

October 31, 2013

JZS Madison, LLC
780 West End Avenue, 1E
New York, New York 10025

Re: Condominium Offering Plan for
33 East 74th Street Condominium (the "Condominium")

To Whom it May Concern:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real property taxes paid by individual residents of New York City who purchase Residential Units pursuant to the above-referenced Offering Plan (the "Plan"), and (ii) the income tax treatment to the Condominium Board (the "Board") of the assessments payable by Residential Unit Owners to meet common expenses of the Condominium ("Common Charges").

In connection with rendering this opinion, we have reviewed this Plan (including the exhibits thereto), relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other material as we deemed relevant. The opinions expressed herein are based upon the assumptions that (1) this Plan is accepted for filing by the New York State Department of Law and is consummated in accordance with its terms, (2) condominium ownership of Residential Units located in the premises known as 33 East 74th Street Condominium is established under applicable law, and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

This Plan provides for the establishment of condominium ownership of the land and building, and appurtenances thereto, comprising the Condominium, situated at 33 East 74th Street, New York, New York. The Condominium will be comprised of Residential Units, a Commercial Unit, Resident Storage Rooms and Common Elements. This opinion addresses certain Federal, New York State and New York City income tax consequences that would result from the ownership of a Residential Unit by an individual who is a resident of New York City for tax purposes and uses the Residential Unit as a qualified residence. It does not address, among other things, the tax consequences of the ownership or occupancy of Residential Units by taxpayers who are not individual residents of New York City for tax purposes, including corporations and other entities, and foreign individuals or entities, or the ownership by any individual or entity of a Resident Storage Room or the Commercial Unit; tax consequences which may result with respect to any Residential Units held in connection with a trade or business, for investment purposes or for the production of income; or the estate tax consequences of ownership of Residential Units.

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Deductibility of Mortgage Interest and State and Local Real Property Taxes

Each Residential Unit Owner will own his or her Residential Unit and an undivided interest in the Common Elements in fee simple and, under New York State Law, each Residential Unit (including its undivided interest in the Common Elements) will be taxed as a separate parcel for New York real property tax purposes. Each Residential Unit Owner may mortgage his or her Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness, and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Residential Unit. Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her Federal income tax returns may deduct interest paid on his or her mortgage indebtedness and the state and local real property taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Based on the foregoing, and subject to the limitations expressed herein, it is our opinion that each individual Residential Unit Owner who itemizes deductions will be entitled under current Federal income tax law to deduct from his or her gross income, the New York real property taxes assessed against his or her Residential Unit and paid by the Residential Unit Owner to the local authority, subject to the Federal overall limitation on itemized deductions as set forth in section 68 of the Code. No deduction for state and local real property taxes is permitted for purposes of the Federal alternative minimum tax. Purchasers should consult their tax advisers regarding the applicability of the Federal overall limitation on itemized deductions to the deductibility of state and local real property taxes, and the effect of the alternative minimum tax.

A taxpayer is entitled to a deduction for Federal income tax purposes for interest paid during the taxable year on "acquisition indebtedness" or "home equity indebtedness" with respect to a "qualified residence" of the taxpayer. A "qualified residence" generally means: (i) the principal residence of the taxpayer and (ii) one other residence selected by such taxpayer, provided that, if such other residence is rented at any time during the taxable year, it will not be a qualified residence unless the taxpayer uses it for personal purposes for a number of days which exceeds the greater of (i) fourteen (14) days or (ii) ten percent (10%) of the number of days during such year for which such unit is rented at a fair value. "Acquisition indebtedness" means any indebtedness which is secured by any qualified residence of the taxpayer and which is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt). The aggregate amount treated as acquisition indebtedness for any period cannot exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return). "Home equity indebtedness" means any indebtedness (other than acquisition indebtedness) secured by a qualified residence, up to the excess of the fair market value of such qualified residence over the amount of acquisition indebtedness with respect to such residence. The aggregate amount treated as home equity indebtedness for any period cannot exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Accordingly, an owner of a Residential Unit who itemizes deductions and who uses such Residential Unit as a qualified residence will be entitled, under current Federal income tax law, to deduct from his or her gross

income, subject to the Federal overall limitation on itemized deductions, interest paid by him or her on (i) acquisition indebtedness incurred with respect to such Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to 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). Further, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances). The rules and limitations regarding the deductibility of home mortgage interest are complex, and thus, Purchasers are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of interest with respect to their Residential Units for alternative minimum tax purposes (which at present is subject to rules different from those described above for regular tax purposes). Purchasers should also consult their tax advisers regarding the applicability of the Federal overall limitation on itemized deductions to the deductibility of interest.

Each owner of a Residential Unit who uses such Residential Unit as a residence will generally be entitled to the same deduction for interest and state and local real property taxes paid or accrued with respect to such Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real property 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 tax to the deduction for interest and state and local real property taxes with respect to their Residential Units.

Common Charges

Under the Plan, the Board will, from time to time, assess Common Charges against the Unit Owners, generally in proportion to their respective percentage interests in the Common Elements in order to pay the costs and expenses of operating, repairing, and maintaining all such Common Elements.

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of Code section 528(c) and, therefore, could elect to be exempt from Federal income tax on its exempt function income. In order for a condominium board to qualify to make such an election, Code section 528 requires, among other things, that substantially all of the units in the condominium be used by individuals for residences. The Treasury Regulations promulgated under Code section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. As it is currently anticipated that less than eighty-

five percent (85%) of the total square footage of all the Units in the Condominium will be used by individuals for residential purposes, the Board will not be eligible to elect to be treated as a homeowners association.

Absent the application of Code section 528, the status of a condominium board for Federal, New York State, and New York City income tax purposes is not clear, as will be the case with respect to the Board. If the Board does not qualify under section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Board derived from Residential Unit Owners ("membership income") and others ("nonmembership income") in excess of appropriate deductions and credits. It is possible that the Board could be viewed as an agent or conduit for Residential Unit Owners, in which case each Residential Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Board should be treated as a separate entity. In that case, it is unclear whether the Board would be taxable as a corporation or treated as a partnership. If the Board is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions, and return filing requirements and would be subject to Federal corporate income tax, the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Board is treated as a partnership, the Residential Unit Owners would be subject to Federal, New York State, and New York City income tax on their proportionate share of taxable income of the Board. In determining the taxable income of the Board, the Board's deductions attributable to furnishing services to Unit Owners may be limited to their membership income. Certain amounts expended for the benefit of Unit Owners, and possibly rebates, if any, to Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

We express no opinion concerning: (a) any Federal, New York State or New York City tax consequences not explicitly discussed in this opinion, (b) any other aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or (c) the tax status and tax consequences of this Plan, including the ownership of a Residential Unit, under the laws of any state, other than New York, local jurisdiction other than New York City, or foreign jurisdiction. Except as explicitly provided, this opinion does not address: (i) tax consequences of the ownership or occupancy of Residential Units by individuals who are not residents of New York City, including corporations and other entities, and foreign individuals and entities; (ii) tax consequences which may result with respect to any Residential Units held in connection with a trade or business, or for investment purposes or for the production of income; (iii) tax consequences which may result from the purchase of a Resident Storage Room License or the Commercial Unit; or (iv) estate tax consequences of ownership of Residential Units. This opinion also does not discuss the tax consequences which may arise if Residential Units or Common Elements are acquired by the Board or the issue of whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Residential Unit. We advise, therefore, that each person contemplating the purchase of a Residential Unit consult his or her own tax adviser concerning all such tax matters, as well as with respect to the matters discussed in this opinion.

It should be noted that this opinion is based solely on the facts and documents referred to above and is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Finance. Moreover, the Federal, New York State and New York City tax laws and regulations and the rulings and decisions thereunder may change and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion in the event of any such change in applicable law, although we have advised Sponsor that it is obligated to do so.

This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will we, Sponsor, the Board, the Selling Agent, the Managing Agent or any other person connected with this Plan be liable if there are changes in the facts on which we relied in issuing this opinion or if there are changes in the applicable statutes, regulations, rulings or decisions on which we relied which cause the Residential Unit Owners not to be entitled to the income tax deductions described above or which affect the tax treatment of the Board as described herein.

Internal Revenue Service Circular 230 Disclosure

This opinion was written to support the promotion or marketing of the sale of Residential Units. To ensure compliance with requirements imposed by the Internal Revenue Service, we are informing you that this opinion was not intended or written by us to be used, and cannot be used, by any taxpayer, including purchasers of Residential Units, for the purpose of avoiding tax-related penalties that may be imposed on the taxpayer under the Code. Purchasers of Residential Units should seek advice based on their particular circumstances from an independent tax advisor.

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

Very truly yours,

Kramer Levin Naftalis & Frankel LLP

Kramer Levin Naftalis & Frankel LLP

2. Opinion Regarding Allocation of Common Interests

KRAMER LEVIN NAFTALIS & FRANKEL LLP

June 19, 2013

JZS Madison LLC
780 West End Avenue, 1E
New York, NY 10025

Re: 33 East 74th Street Condominium (the "Condominium")

To Whom It May Concern:

You have requested our opinion regarding the allocation of common interests to the Units at the Condominium as required by 13 NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Offering Plan (the "Plan") for the Condominium.

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and to be included in 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 Douglas Elliman Property Management, as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(l). We have made no independent investigation of the truth or accuracy of the factual determinations of Douglas Elliman Property Management.

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

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Kramer Levin Naftalis & Frankel LLP, Selling Agent, Managing Agent or the 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.

Very truly yours,

Kramer Levin Naftalis & Frankel LLP

Kramer Levin Naftalis & Frankel LLP

1177 Avenue of the Americas New York NY 10036-2714 Phone 212.715.9100 Fax 212.715.8000
990 Marsh Road Menlo Park CA 94025-1949 Phone 650.752.1700 Fax 650.752.1800
47 Avenue Hoche 75008 Paris France Phone (33-1) 44 09 46 00 Fax (33-1) 44 09 46 01
www.kramerlevin.com

V. WORKING CAPITAL FUND

The Purchaser of each Residential Unit shall be required to make a contribution at the closing of title to such Unit(s) to or in respect of the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

No reserve fund is being established for the Condominium. Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs in respect of the Building because upon completion of the construction to be performed by or on behalf of Sponsor as described herein, the Building will be substantially new construction.

In addition, no reserve fund has been established for the Condominium in its budget for the projected First Year of Operation of the Condominium (Schedule B) for use by the Condominium Board, which in general has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems). The Condominium Board may decide in the future to establish a reserve fund or pay for necessary repairs or capital items by special assessment or by increasing Common Charges, payable by the Unit Owners. Each Unit Owner would be individually liable for the amount of such special assessment against, or increase payable by the Condominium Board to the extent of such Unit Owner's proportionate Common Interest among all Unit Owners.

At the First Closing, Sponsor will apportion the following items with the Condominium Board as of the date preceding said closing:

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

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

(3) charges for steam, gas, electricity and other utilities;

(4) payments under assignable service, maintenance and concession contracts;

(5) water charges and sewer rents on the basis of the fiscal year for which assessed (unless separately assessed to individual Units);

(6) cost of fuel and Building supplies on hand, at Sponsor's cost (plus sales tax);

(7) premiums for transferable insurance policies; and

(8) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent

reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. No such adjustments or apportionments are expected to be substantial. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Condominium Board, in its sole discretion and may be augmented by allocations from monthly Common Charges collected by such Board. Other than as provided in the preceding sentence, Sponsor will not separately contribute to the Working Capital Fund. However, while Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce estimated Common Charges, and in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

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

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund.

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W. MANAGEMENT AGREEMENT AND CONTRACTS

Management Agreement

It is presently contemplated that at or prior to the First Closing, the Board will enter into a management agreement with Douglas Elliman Property Management, with its principal office address being 675 Third Avenue, New York, New York 10017 ("Managing Agent"), to act as Managing Agent with respect to the Condominium.

It is contemplated that the term of the Management Agreement will be three (3) years commencing on the First Closing. The Managing Agent will receive an annual fee of $20,000 for such first year, payable in equal monthly installments, subject to annual increases based on a consumer price index defined in the Management Agreement, such increase not to be less than 2% nor more than 5% annually.

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

(a) Supervise, hire and discharge employees necessary for the proper maintenance and operation of the Building.

(b) Cause the Common Elements to be maintained, repaired, replaced and altered in the manner deemed advisable by the Board. Prior approval of the Board is necessary for any expenditure of over $2,500 for any one item of ordinary repairs or alterations (other than emergency repairs or repairs to comply with a governmental notice or order).

(c) Contract for necessary services and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements subject to prior approval of the Board for any such contracts having a term longer than one (1) year or requiring annual payments in excess of $2,500.

(d) Upon request of the Board, cause to be effected and/or maintained "all risk" insurance coverage pertaining to the Building, and its employees.

(e) Check all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid.

(f) Assist in the creation of an application package and accept applications from all prospective Unit Owners, and prospective tenants of space being leased by a Unit Owner or the Board.

(g) Schedule the moving in and out of Unit Owners and lessees 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.

(h) Bill and collect Common Charges payable by the Unit Owners.

(i) Consider and, when reasonable, attend to complaints of Unit Owners and lessees, providing such complaints concern a violation of the Condominium Documents, a general Building system, service, or common area.

(j) Cause to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to employment of Building's building service employees and maintenance and operation of the Building required by any Federal, State or municipal authority.

(k) Not later than the twentieth day of each month, render monthly statements of receipts and disbursements to the Board or other designated entity for the preceding month.

(l) Maintaining accurate sets of books for the Board.

(m) Cooperate with the Board's accountants with regard to the annual audit of the books of account of the Board.

(n) Prepare and submit annually to the Board an operating budget of the anticipated income and expenses for the ensuing year.

(o) Attend meetings of the Board and annual meetings of the Unit Owners and have its representative act as secretary for purpose of recording the minutes of such meetings.

(p) Prepare and send out all letters, notices and reports as the Board may reasonably request, including but not limited to notices of meetings, special, annual and monthly, as required by the By-Laws of the Condominium and the Offering Plan, as directed by the Board.

(q) Set up and maintain separate and accurate books and account, checkbooks, payroll and other corporate books and records of the Board and maintain orderly files of all other documents pertaining to the Condominium.

The management fee will be included in Common Expenses as discussed above in Schedule B – "Projected Budget for First Year of Condominium Operation." The Managing Agent will be entitled to additional fees for certain special services performed by it, including, among others:

(a) Commissions, as agreed upon by the Board and the Managing Agent in advance, for the leasing or subleasing of space in the Building on behalf of the Board.

(b) Fees for discretionary services rendered pursuant to the Management Agreement.

(i) Unit Sales. In connection with the processing of an application for the sale/transfer of ownership by a Unit Owner and conducting a credit check, a nonrefundable sum of $700.00 if a broker is involved or $750.00 if no broker is involved, to be paid by the Unit Owner/transferee and not by the Board;

(ii) Unit Leases. In connection with the processing of a lease application on behalf of a Unit Owner, a nonrefundable sum of $700.00 if a broker is involved or $750.00 if no broker is involved, to be paid by the Unit Owner/transferee and not by the Board; and in connection with the renewal of a lease with an existing tenant a nonrefundable sum of $300.00;

(iii) Unit Transfers. In connection with the transfer of title, whether or not by assignment, including any transfers of title to or from the Board, a fee of $300.00 for the closing of such transfers and assignments;

(c) Reimbursement for out of pocket expenses for items such as messenger service, postage, facsimile transmissions, photocopying, printing, scanning, on-line payment service fee and other administrative expenses incurred by the Managing Agent.

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.

Sponsor reserves the right during the Initial Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by the Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. After the Initial Control Period, upon the expiration or sooner termination of the then current agreement with the Managing Agent, the Board may designate any other managing agent to perform the duties and services to be performed by the Managing Agent under the Plan. The term "Managing Agent" when used in the Plan with respect to any time after Sponsor or the Board has designated another managing agent shall mean such other agent. The Management Agreement may not be assigned by the Managing Agent without the prior written consent of the Board. Sponsor will amend the Plan to disclose having entered into the Management Agreement promptly after execution thereof.

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X. IDENTITY OF PARTIES

1. Sponsor

Sponsor is JZS Madison, LLC, a New York limited liability company with an office at 780 West End Avenue, 1E, New York, New York 10025. The individual officers, directors, shareholders and principals of Sponsor who are actively involved in the planning or consummation of the offering contemplated by the Plan are: Daniel E. Straus, who has an office at 780 West End Avenue, 1E, New York, New York 10025.

The principals of Sponsor have not been involved in any condominium or cooperative offering plans for the last five years and do not own 10% or more of the Unsold Units or unsold shares in any building.

The Secretary of State has been designated to receive service of process for Sponsor.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen years prior to the submission of this Plan.

2. Attorneys for Sponsor

Sponsor has retained the law firm of Kramer Levin Naftalis & Frankel LLP, having an office at 1177 Avenue of the Americas, New York, New York 10036 ("Sponsor's Counsel"), to represent it in connection with the Plan. Jay A. Neveloff, Esq. and Julia L. Wachter, Esq. had principal responsibility for the preparation of the Plan, the Declaration, the By-Laws and the forms of Agreement, Unit Deed and Unit Power of Attorney. Sponsor's Counsel has also rendered opinions with respect to the possible availability of income tax deductions to Purchasers of Residential Units and the allocation of Common Interests. Sponsor's counsel will serve as Escrow Agent under the Agreements and will represent Sponsor in connection with Unit closings.

3. Selling Agent

The Selling Agent for the project is Douglas Elliman, having an office at 575 Madison Avenue, New York, New York 10022. In the past, Douglas Elliman has engaged in all phases of real estate sales and marketing, specializing in Manhattan's downtown communities, including off-site sales and rentals of cooperative and condominium apartments and lofts, on-site rental and coop and condo sales, building sales and commercial leasing.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against the Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of this Plan.

4. Managing Agent

It is anticipated that the Managing Agent for the Condominium will initially be Douglas Elliman Property Management, a licensed real estate management firm with offices at 675 Third Avenue, New York, New York 10017.

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 principal 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.

5. Budget Expert

Douglas Elliman Property Management, having an address at 675 Third Avenue, New York, New York 10017, estimated all amounts of income and expenses in Schedule B, "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor. The budget expert has no financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except: (i) for its fees for services rendered in connection with the same; or (ii) to the extent it may now or in the future be designated as Managing Agent.

6. Real Estate Tax Consultant

Marcus & Pollack LLP, having an office at 708 Third Avenue, 11th floor, New York, New York 10017 has been engaged as a real estate tax consultant in connection with the Plan. The firm prepared a forecast of the assessed valuation of the Units following construction and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A and other disclosures in the Plan regarding projected real estate taxes. The real estate tax consultant has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

7. Construction Professionals

New Line Structures, Inc., 512 7th Avenue, 15th Floor, New York, New York 10018, is the construction manager engaged by Sponsor to construct the Project. New Line Structures, Inc., founded in 2008 by a former Vice President of Tishman Construction, is experienced as a general contractor/construction manager for residential and commercial projects, including but not limited to, 805 Columbus Avenue, 795 Columbus Avenue, 775 Columbus Avenue, 310 West 2nd Street, 425 Fifth Avenue, 515 Ninth Avenue and 67 Liberty Street.

Beyer Blinder Belle Architects & Planners, LLP, 41 East 11th Street, New York, New York 10003, is the architect of record. Beyer Blinder Belle Architects & Planners, LLP was founded in 1968 and has been involved in various projects including rehabilitation and adaptive reuse of historic buildings into new housing and new construction.

Cosentini Associates, Two Pennsylvania Plaza, Third Floor, New York, New York 10121, is the mechanical and electrical engineer for the Building and prepared the plumbing, mechanical and electrical report for the Building included in the Description of Property and the estimates of utilities consumption used in the preparation of Schedule B, "Projected Budget for First Year of Condominium Operation." Cosentini Associates was founded in 1952 to provide consulting services in the mechanical and electrical engineering disciplines. The firm now has more than 300 design professionals and offices across the world.

Desimone Consulting Engineers ("DeSimone"), 18 West 18th Street, 10th Floor, New York, New York 10011 is the structural engineer for the construction work at the Property. DeSimone is a global leader providing structural engineering services to architects, owners and developers worldwide, which performs analysis and design for all types of buildings at all project phases and has an extensive renovation portfolio. DeSimone is an expert in evaluating existing concrete and steel structures as well as in designing a variety of different project types.

None of the construction professionals has a financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for their respective fees for services rendered in connection with the same.

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Y. REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

1. a financial statement of the Condominium prepared by a certified public accountant or public accountant, within 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board;

2. at least 30 days' prior notice of the annual Unit Owners' meeting; and

3. a copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board.

While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with Section 20.4(d) of the Regulations of the Department of Law.

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Z. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection without charge, and for copying at a reasonable charge, at Sponsor's office for a period of six years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board at the time of the First Closing.

The Declaration and the By-Laws will be recorded in the City Register's Office prior to or concurrently with the First Closing, and a copy thereof will be furnished to the Condominium Board at such time.

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AA. GENERAL

Except as set forth herein, there are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect the offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

To the best of Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings. No preliminary binding agreements have been entered into and no money has been collected from prospective Purchasers.

Sponsor and the Selling Agent each hereby represent that it will not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Unit Deed, form of Unit Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

No party other than any Purchaser shall have any right or benefit herein or herefrom, including, without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no party other than any Purchaser shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and/or prospective Purchasers under the Plan. However, no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material change that adversely affects any Purchasers, Sponsor shall grant such Purchasers a right to rescind their respective Agreements by written notice to Sponsor given within 15 days after the date of presentation of such amendment. In such event, Sponsor shall direct the Escrow Agent to return the Deposit of any Purchasers who duly rescind their Agreements, together with any interest earned thereon.

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.

Sponsor states that there have been no contracts or agreements, written or oral that have been entered into for the sale or transfer of any of the Units offered in the Plan. Neither Sponsor nor anyone on behalf of Sponsor has taken any deposits or advances of funds in connection with the reservation, sale or transfer of such Units.

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BB. RESERVATION OF AIR AND DEVELOPMENT RIGHTS

The Owner of the Commercial Unit hereby expressly reserves the right to transfer air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the Property to other buildings. As a result, unless Air Rights are separately acquired on behalf of the Condominium, any future expansion of the Building may not be possible or may be limited. Further, as a result of such reservation, to the extent that the reserved Air Rights are sold and transferred to the owner(s) of adjoining properties, such properties may be increased as a result of such sale.

The Air Rights reserved by the Owner of the Commercial Unit will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Air Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Right in excess of those used in connection with the initial construction of the Building in accordance with the Plan. Additionally, the Owner of the Commercial Unit has no plans at this time to utilize or transfer any such excess Air Rights outside the envelope of the Commercial Unit.

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CC. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 5 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.

The Units are being sold "as is" in the condition in which they exist at the time of transfer of title to such Unit, unless Sponsor and the Purchaser of such Unit otherwise agree in writing. Except as otherwise expressly provided in this Plan, Sponsor's obligation to make repairs in any Unit shall cease upon the closing of title to such Unit. Sponsor will, however, maintain and operate the Building until the First Closing in substantially the same manner and condition as set forth in this Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

If a Unit borders or is located near a rooftop or other area, there may be equipment for the building, or other obstructions, that may be visible from the windows of said Units.

As more fully described in "The Property" in Section A above, and subject to the matters described therein, Sponsor anticipates that construction of the Building will be sufficiently completed to allow the first closing of a Residential Unit to occur in or about March 2015. A new Certificate of Occupancy will be issued for the Building when the construction of the Building is complete. Sponsor will obtain a temporary Certificate of Occupancy permitting occupancy of specific Units prior to the closing of the sale of such Units.

SPONSOR:

JZS Madison, LLC

PART II

EXHIBIT 1

PURCHASE AGREEMENT

AGREEMENT

Purchaser(s)

with

JZS MADISON, LLC

Sponsor/Seller

Unit Number ____
33 East 74th Street Condominium
33 East 74th Street
New York, New York 10021

AGREEMENT
UNIT NO. ___
33 East 74th Street Condominium
New York, New York 10021

(to be executed in quintuplicate)

AGREEMENT (this "Agreement"), made as of the ___ day of _____ 20__, between JZS Madison, LLC, a New York limited liability company, having an office at 780 West End Avenue, 1E, New York, New York 10025 (hereinafter, "Sponsor"), and

_____

_____

having an address at _____ (hereinafter, "Purchaser").

W I T N E S S E T H:

1. Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for 33 East 74th Street Condominium, (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. The Unit. Sponsor hereby grants to Purchaser, and Purchaser hereby acquires from Sponsor, an option to purchase Unit No. ____ at the Condominium (as designated in the Declaration), together with the undivided _____% interest in the Common Elements appurtenant to such Unit (the "Unit"), upon and subject to the terms and conditions set forth herein.

3. Purchase Price.

3.1 The purchase price for the Unit (the "Purchase Price") is $_____ payable as follows:

(a) $_____ (the "Initial Deposit"), due upon the signing and submitting of this Agreement, receipt of which (subject to collection) is hereby acknowledged;

(b) $_____ (the "Additional Deposit"; the term "Deposit", as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), due upon the earlier to occur of: (i) _____ (the date which is six (6) months after the date of this Agreement); or (ii) fifteen (15) days after Sponsor serves Purchaser with written notice of an amendment declaring the Plan effective, but in no event later than the

closing of title, subject to collection;* and if an amendment declaring the Plan to be effective has been accepted by the NYS Department of Law as of the date on which the Initial Deposit is due, then any Additional Deposit shall be due and payable at the same time as the Initial Deposit; and

(c) $_____ (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

3.2 All checks shall represent United States currency, be drawn on or issued by a New York bank which is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Kramer, Levin, Naftalis & Frankel LLP, as Escrow Agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank or cashier's check, made payable to the direct order of "JZS MADISON, LLC" (or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, the Escrow Agent is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies set forth in the Plan and in this Agreement with respect to an Event of Default (which shall include suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default).

4. Deposit.

4.1 Prior to or concurrent with execution hereof and payment by Purchaser of the Initial Deposit, Purchaser, Sponsor and Escrow Agent will enter into the "Escrow Rider" annexed to this Agreement. The Escrow Rider must be executed by the Sponsor, Purchaser and Escrow Agent.

4.2 The provisions of paragraphs 3-6 of the Escrow Rider annexed hereto are incorporated herein by reference.

4.3 Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting any interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this Article or Article 8.

5. Closing Date and Place.

5.1 The closing of title shall be held at the offices of Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior notice. Sponsor may, from time to time, adjourn such date and hour upon reasonable prior notice to

* Omit if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic immunity).

Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set herein for a closing for more than twelve months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. Delivery of Deed and Power of Attorney.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances and title conditions set forth on Schedule A annexed hereto and made a part hereof. Sponsor shall prepare the deed, which shall be substantially in the form set forth in Exhibit 3 in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board and Sponsor, prepared by Sponsor and substantially in the form set forth as Exhibit 2 in Part II of the Plan.

6.3 The executed deed and power of attorney shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board shall be returned to the Board (or as the Board shall direct).

6.4 Purchaser's payment of the Balance and acceptance of the deed to the Unit shall constitute Purchaser's recognition that Sponsor has fully satisfactorily performed those obligations stated in the Plan and/or this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

7. State of Title.

7.1 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Royal Abstract of New York LLC, 500 Fifth Avenue, Suite 1540, New York, New York 10110 Attention: Martin Kravet; (212) 376-0900 (or such other title or abstract company designated by Sponsor; the "Title Company"), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the

affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

7.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the closing, then, for purposes of Article 12 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the closing of title or the termination of this Agreement.

8. Closing Adjustments.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to the closing, accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

8.2 If the Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in Section 6.16 of the By-Laws and in Part I of the Plan.

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

8.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

8.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect to Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as aforesaid and as otherwise provided herein or in the Plan.

8.6 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

9. Closing Costs.

Purchaser shall be required to pay certain costs in connection with the purchase of the Unit, in addition to any net credit in favor of Sponsor that may result from the closing adjustments and any interest or late closing charge described in Article 8. Other than any such net credit in favor of Sponsor that may result from the closing adjustments (or certain other fees which may be payable prior to the closing, as described below), all such closing costs shall be paid by Purchaser, at closing, by Purchaser's unendorsed, personal certified check or by official bank check, in either event drawn only upon a bank that is a member of the New York Clearing House Association. Such closing costs will include the following, the amounts of which (where applicable) are based on rates in effect on the date hereof and are subject to change without prior notice:

9.1 If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance, which will vary depending upon the amount of insurance purchased.

9.2 Purchaser will pay a fee to the City Register for recording the deed and the power of attorney of approximately $37.00 for each instrument plus $5.00 for each page (including the cover page), and will pay the $125.00 filing fee for the RP-5217 form. In

addition, Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, all of which shall be payable by Purchaser.

9.3 If Purchaser obtains a mortgage loan, Purchaser shall pay all closing costs associated with such loan, which may include, but need not be limited to, the following:

(a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed and power of attorney;

(b) a mortgage recording tax in the amount provided for by law, which on the date hereof is 2.05% of the principal amount of the mortgage for mortgages of less than $500,000 and 2.175% of the principal amount of the mortgage for mortgages equal to or greater than $500,000 (further, pursuant to law, the mortgagor receives a $25 deduction and the mortgagee pays .25%, and in each case, the amount payable to Sponsor under subparagraph (c) below is deducted);

(c) to Sponsor, a sum equal to the full amount (but not in excess thereof) of the partial mortgage recording tax credit provided by Section 339-ee(2) of the New York Condominium Act, to the extent the same is or becomes available, as a reimbursement for the mortgage recording taxes previously paid (such credit is based, in general, on the Common Interest of the Units being purchased multiplied by a portion of the mortgage tax previously paid on account of pre-existing mortgages on the Property);

(d) the premium for mortgage title insurance, if required by Purchaser's lender;

(e) deposits for Common Charges, real estate taxes, any assessments, water charges and sewer rents (if separately assessed), if required by Purchaser's lender; and

(f) such other costs and expenses in connection with such loan as determined by Purchaser's lender.

9.4 Purchaser will be responsible for payment of the following fees to Kramer Levin Naftalis & Frankel LLP, Sponsor's counsel, in connection with the closing of title to such Purchaser's Unit: (i) the sum of $3,000 to reimburse Sponsor for a portion of its legal fees incurred in connection with the closing of title to each Unit purchased hereunder, and for each issuance of a Storage License, the sum of $750 to reimburse Sponsor for a portion of its legal fees in connection with processing the issuance of such Storage License; (ii) if the Purchaser requests the closing to occur other than at the offices of Sponsor's counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor consents to such change (in its sole discretion), an attendance fee of $500 (closings may not be scheduled to occur outside Manhattan); (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of $300 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 $1,500, payable in advance, for preparation of an assignment agreement; (v) $250 for the preparation of ACRIS transfer documents required by the City of New York; (vi) if Purchaser obtains mortgage financing, an additional fee of $750 to Sponsor's closing counsel to defray the

additional costs associated therewith; and (vii) Purchaser shall pay Sponsor's counsel the sum of $750 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under Section 1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

9.5 Purchaser shall make a contribution to the Working Capital Fund of the Condominium, payable to the Board, in an amount equal to two (2) months' Common Charges then in effect for each Unit pursuant to the Condominium budget and in accordance with Schedule A in the Plan, as the same may be amended from time to time.

9.6 Purchaser shall pay to the Board the Common Charges for the Unit for the first full month following the month in which title closes. In addition, if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by Purchaser of the terms, provisions and conditions of the By-Laws. In the event that Purchaser defaults in respect of the terms, provisions and conditions of the By-Laws, the Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which Purchaser is in default; and such Unit Owner shall, within thirty (30) days after notice from the Board, deposit with such Board the amount so applied or retained so that at the option of the Board, such Board shall have the full amount of said security on hand at all times. The provisions of the preceding sentence shall survive the closing of title.

9.7 Purchaser shall pay the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps" and, if applicable, the so-called "mansion tax"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City or State of New York. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Section 9.7 and to indemnify Sponsor as herein provided shall survive the closing of title or the termination of this Agreement.

10. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental

officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

11.3 Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

12. Default by Purchaser. (a) Any of the following shall constitute an "Event of Default" hereunder:

(i) [Purchaser's failure to pay the Additional Deposit on the date set forth in Article 3 hereof,]* Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser in Article 8 or 9 hereof on the Closing Date designated by Sponsor pursuant to Article 5 hereof, or the dishonor of any check given by Purchaser to Sponsor; or

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser; or

(iv) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other

* Omit if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic or sovereign immunity).

lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement and either (x) Sponsor has obtained an order of eviction against Purchaser from a court of competent jurisdiction or (y) Purchaser has vacated the Unit; 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 within thirty (30) days.

(b) **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Purchaser shall have thirty (30) days from the giving of the notice of such default to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then Sponsor, in its sole discretion, may thereupon cancel this Agreement. If Sponsor elects to cancel, this Agreement shall be deemed cancelled, and Sponsor, as its sole remedy, shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds of such sale.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor, and (should Sponsor so elect) shall be retained by Sponsor as Sponsor's sole and exclusive remedy. The payment of the deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

(d) NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR

HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

13. Agreement Subject to Lien of Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

14. Agreement Subject to Plan Being Effective. The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. Sponsor's Inability to Convey the Unit. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement,

Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. Upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first remedy above to acquire title subject to such inability.

16. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Construction.

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Plan in the Section entitled "Rights and Obligations of Sponsor."

17.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Prerequisites to Closing of Title" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without any provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Report (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser's occupancy of the Unit).

17.4 Sponsor has projected that, based upon anticipated schedules as of the initial filing date of the Plan, construction of the Building will be sufficiently completed to permit closings of Units to begin in or about January 1, 2015. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of are hereby expressly waived by Purchaser.

18. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, at Sponsor's direction, Selling Agent shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with Selling Agent to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection, shall carefully inspect the Unit, and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in "Rights and Obligations of Sponsor" in the Plan.

19. Damage to the Unit. If between the date of this Agreement and the closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and the Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly

upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

19.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, with notice thereof to Purchaser, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

20. No Representations. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefor, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and [to be]* filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 20 shall survive the closing of title or the termination of this Agreement.

21. Prohibition Against Advertising. Purchaser hereby covenants and agrees that it shall not, prior to the closing of title hereunder, list the Unit for sale or resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives prior to the closing of title shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 12 hereof. The provisions of this Article 21 shall survive the closing of title or the termination of this Agreement.

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* Omit after Floor Plans have been filed in City Register's office.

22. Broker. Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than Selling Agent and _____. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than Selling Agent and the aforementioned broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than Selling Agent on account of any acts or dealings of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. Agreement May Not Be Assigned.

23.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an Event of Default by Purchaser entitling Sponsor to all remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth in Article 12 hereof, and shall be voidable at the option of Sponsor.

23.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company or other entity, 49% or less of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____.

23.3 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole

discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,500 made payable to Kramer Levin Naftalis & Frankel LLP (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 21 above and in the Plan will remain in effect.

23.4 Notwithstanding the provisions of Section 23.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser's Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Section 23.3 above. For purposes of this Section 23.4 only: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

24. Binding Effect. The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Initial Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within thirty (30) days after the date hereof, this Agreement shall be deemed to have been rejected and the Initial Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, sexual orientation, race,

creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

25. Notices.

25.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement; and to Sponsor, addressed to Selling Agent at: Douglas Elliman, 575 Madison Avenue, New York, New York 10022, with a copy sent simultaneously and in like manner to Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attention: Jay A. Neveloff, Esq. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected or, in the case of mailing, three (3) days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

25.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's closing counsel (Kramer Levin Naftalis & Frankel LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

26. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

27. Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

28. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this

Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

30. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

31. No Lien. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated, and Purchaser may not record this Agreement or a memorandum thereof.

32. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

33. Purchaser's Representations.

33.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Sponsor, as provided herein) has any right or claim to all or any portion of the Deposit.

33.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

33.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

33.4 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

34. Agreement Not Contingent Upon Financing. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Article 3 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, any change in Purchaser's financial status or condition, nor any delay in or adjournment of the Closing, shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

35. Costs of Enforcing and Defending Agreement. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder. The provisions of this Article shall survive closing of title or the termination of this Agreement.

36. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

37. Waiver of Diplomatic or Sovereign Immunity.

37.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit,

action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

37.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

37.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

37.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 37.

37.5 Nothing in this Article 37 shall affect the right of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

37.6 The provisions of this Article 37 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

37.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

38. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

39. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein," "hereof" or "hereunder," or similar terms used in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

40. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

41. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

42. No Oral Changes. This Agreement, or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

43. Counterparts. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

44. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

45. Section 1031 Exchange. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser (except as prohibited by paragraph 24 of this Agreement) may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and

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

47. Lead-Based Paint Disclosure. Annexed hereto and incorporated herein as Schedule C, is the "Disclosure Information on Lead-Based Paint and/or Lead Based Paint Hazards" required to be executed pursuant to the provisions of Federal regulation.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

JZS MADISON, LLC

By: _____
Name:
Title:

PURCHASER(s):

By: _____
Name:
Title:
Social Sec. Number
or Federal Tax ID:_____

PURCHASER(s):

By: _____
Name:
Title:
Social Sec. Number
or Federal Tax ID:_____

Purchaser acknowledges receipt of Offering Plan [and amendments] on _____ __, 20___

Initials of Purchaser(s):

_____ _____

ESCROW RIDER

To Agreement dated: _____ Covering Unit(s):_____
Sponsor: JZS MADISON, LLC
Purchaser(s):_____
Escrow Agent: Kramer Levin Naftalis & Frankel LLP

This rider ("Escrow Rider") to the captioned Agreement shall constitute a written agreement among Sponsor, Purchaser and Escrow Agent with respect to the subject matter hereof. Capitalized terms used but not defined herein shall have the meanings ascribed thereto as set forth in the captioned Agreement and/or the Offering Plan, as applicable.

1. The law firm of Kramer Levin Naftalis & Frankel LLP, with an address at 1177 Avenue of the Americas, New York, New York 10022, telephone number 212-715-9100, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser under the captioned Agreement. Escrow Agent has designated the following attorneys to serve as signatories: Jay A. Neveloff, Jonathan H. Canter, Paul S. Pearlman, Neil R. Tucker, James P. Godman and Howard J. Rothman. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

2. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

3. Escrow Agent has established the escrow account at Valley National Bank, 275 Madison Avenue, New York, New York 10016 (the "Bank"), a bank authorized to do business in the State of New York. Each escrow account is entitled "33 East 74th Street Condominium Escrow Account" or similar name (each the "Escrow Account") . The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured.

4. All Deposits received from Purchaser shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent." At the Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor.

5. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of June 19, 2013, such rate was 0.10%. The actual initial interest rate for the Escrow Account with respect to Purchaser's Deposit shall be set forth in the notice to be sent to Purchaser (as described below). As noted, the interest rate on such accounts will fluctuate and neither Sponsor nor Escrow Agent makes any representation regarding the rates that will be in effect from time to time or the actual rate of interest on, or the interest that may accrue for any

particular account or for Purchaser, from time to time. Interest shall begin to accrue upon placing the Deposit into the Escrow Account, however, no interest will be earned until the Deposit check is deposited with and collected by the Bank and provided that the Purchaser has delivered the required number of completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit 1A in Part II of the Plan or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the form reproduced as Exhibit 1B in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If Purchaser does not deliver the Form W-9 or Form W-8BEN, as applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9 or Form W-8BEN has been delivered, and neither Sponsor, Selling Agent, the Escrow Agent nor the Bank shall be liable for interest for the period prior to the delivery of such form. Interest, if any, will not be earned after a withdrawal is made from the Escrow Account in anticipation of the closing. All interest earned on Purchaser's Deposit shall be paid to or credited to Purchaser at closing unless Purchaser has defaulted and Sponsor is entitled to retain the Deposit. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

6. Within ten (10) business days after the Agreement has been "tendered" (as defined below) to Escrow Agent along with the Deposit and countersigned by Sponsor, Escrow Agent shall sign the Agreement and place the Deposit into the Escrow Account. Escrow Agent shall notify the Purchaser that such funds have been placed in the Bank by providing written notice to Purchaser and Sponsor, confirming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor. As used in this Section of the Plan, "tender" or "tendered" means the date delivered by hand or five (5) business days after being sent by mail or courier. If any Deposit check is received by Sponsor or Selling Agent, it will be delivered promptly to Escrow Agent in order that the notice confirming such Deposit may timely be sent to Purchaser.

7. Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit and execution of the Agreement by Sponsor, Purchaser and Escrow Agent, then Purchaser may cancel the Agreement within ninety (90) days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

8. All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

9. Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

10. The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Agreement upon closing of title to the Unit; or

(b) in a subsequent writing signed by both Sponsor and Purchaser; or

(c) by a final, non-appealable order or judgment of a court.

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) immediately above, and Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both parties informing them of said release. If Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) immediately above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the Building is located and shall give written notice to both parties of such deposit.

Sponsor shall not object to the release of the Deposit to:

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

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

The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

11. Any provision of any Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Agreement, Plan, or any amendment thereto.

12. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

13. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations, in each case, to the extent applicable under GBL §§ 352(e)(2-b) and 352(h).

14. Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under the Agreement or this Escrow Rider 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.

15. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit 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 Purchaser.

16. Sponsor agrees that it shall not interfere with Escrow Agent's performance of any fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

17. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Agreement.

18. Prior to release of the Deposit, 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.

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19. 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 Escrow Agent's responsibilities arising in connection with the Agreement or this Escrow Rider or the performance or non-performance of Escrow Agent's duties under the Agreement, this Escrow Rider or the Plan, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in the Agreement or this Escrow Rider, 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.

SPONSOR:

JZS MADISON, LLC

By:_____
Name:
Title:

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

ESCROW AGENT:

KRAMER LEVIN NAFTALIS & FRANKEL LLP

By:_____
Name:
Title: a partner

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the Condominium By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and Sponsor, and the Floor Plans, all as may be amended from time to time.

3. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building or any portion or element thereof.

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

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Property.

6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

8. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for its permitted purposes.

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

11. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

12. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

19. Any additional title exceptions noted in the Specimen Title Policy set forth in Part II of the Offering Plan.

20. Any state of facts which an accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure or Common Elements upon another Unit or Units or upon the Common Elements or other Common Elements may remain undisturbed as long as the same shall stand.

21. All other covenants, restrictions and matters of record.

22. Covenants, conditions, easements, leases, agreements of record, etc., including, without limitation, the following:

(a) Covenants and Restrictions dated 4/4/1983 and recorded 5/2/1893 in Section 5 Liber 20 page 249.

(b) Party Wall Agreement made between Samuel Cohen and Rebecca Cohen, his wife, Morris Cohen, Martha Koehler, Phoebe C. Freeman, Lizzie Simmons and

William J. Pulley, dated 1/28/1901 and recorded 2/26/1901 in Section 5 Liber 73 page 123 (affects northerly line of former Lot 21, now part of Lot 25).

(c) Premises or part of premises have been designated as a Landmark, Landmark Site or Historic District and are subject to the restricted use as provided in the New York City Charter (Charter Chapter 74 Sections 3020 and 3021 and Administrative Codes Section 25-301 to Section 25-332). Notice of Designation recorded 7/2/82 in Reel 629 page 739 "Upper East Side Historic District" (affects Lot 25 and more).

(d) Declaration of Zoning Lot Restrictions made by Whitney Museum of American Art dated as of 9/13/85 and recorded 9/17/85 in Reel 961 page 120 (affects Lot 25 and more).

(e) Lotline Window Declaration made by Whitney Museum of American Art dated 11/25/96 and recorded 11/26/96 in Reel 2396 page 1274 (affects former lots 21 and 25, now part of Lot 25).

(f) Declaration made by Whitney Museum of American Art dated as of 3/26/06 and recorded 4/5/06 as CRFN 2006000188439 (affects Lot 25 and more).

(g) Zoning Lot Certification dated 8/19/85 and recorded 9/18/85 in Reel 962 page 380 (affects former Lots 21, 22, 23 and 24 (now part of Lot 25) and more).

(h) Zoning Lot Description and Ownership Statement dated 9/14/95 and recorded 9/15/95 in Reel 2243 page 1488 (affects former Lot 21, now part of Lot 25).

(i) Zoning Lot Certification dated 8/11/95 and recorded 9/15/95 in Reel 2243 page 1492 (affects former Lot 21, now part of Lot 25).

(j) Zoning Lot Description and Ownership Statement dated 2/5/96 and recorded 2/7/96 in Reel 2283 page 2369 (affects former Lot 25 (now part of Lot 25) and more). Corrected Zoning Lot Description and Ownership Statement dated 2/8/96 and recorded 2/8/96 in Reel 2290 page 1473 (affects former Lots 21 and 25 (now part of Lot 25) and more).

(k) Zoning Lot Certification dated 8/25/92 and recorded 9/22/92 in Reel 1905 page 2481 (affect former Lot 23, now part of Lot 25).

(l) Zoning Lot Description and Ownership statement dated 9/__/92 and recorded 9/22/92 in Reel 1905 page 2587 (affects former Lot 23, now part of Lot 25).

(m) Zoning Lot Description and Ownership Statement dated 9/14/95 and recorded 9/15/95 in Reel 2243 page 1498 (affects Lot 25).

(n) Zoning Lot Certification dated 8/16/95 and recorded 9/15/95 in Reel 2243 page 1502 (affects Lot 25).

(o) Zoning Lot Certification dated 8/11/95 and recorded 9/15/95 in Reel 2243 page 1508 (affects Lot 25).

(p) Zoning Lot Description and Ownership Statement dated 9/14/95 and recorded 9/15/95 in Reel 2243 page 1514 (affects Lot 25).

(q) Zoning Lot Certification dated 3/7/06 and recorded 4/5/06 as CRFN 2006000188438 (affects Lot 25 and more).

SCHEDULE B

INSPECTION STATEMENT

JZS MADISON, LLC
780 West End Avenue, 1E
New York, New York 10025

Re: Unit No._____
33 East 74th Street Condominium

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted, I/we found the following items in good condition, free of chips, mars, breaks or other defects:

Exceptions

Items	Initials	if any
Windows, window frames		
Electric fixtures & globes		
Interior painted surfaces		
Sinks, tubs, bowls & shower doors & trim		
Kitchen cabinets & counter tops		
Vanity tops & base		
Medicine cabinets, doors & mirror		
Hardware		
Flooring		
Appliances		

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to my/our date of moving. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

_____
Purchaser's Signature

_____
Purchaser's Signature

_____
Sponsor's Representative

SCHEDULE C

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS SALES

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in your children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller or any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchaser.

Seller's Disclosure

(a) Presence of lead-based paint and/or lease-based paint hazards *(Check (i) or (ii) below)*:

(i) ☐ Known lead-based paint and/or lead-based paint hazards are present in the housing *(explain)*.

_____

_____

_____

(ii) ☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller *(Check (i) or (ii) below)*:

(i) ☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based hazards in the housing *(list documents below)*.

_____

_____

_____

(ii) ☐ Seller has no reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgement (initial)

(c)____ Purchaser has received copies of all information listed above.

(d)____ Purchaser has received the pamphlet **Protect Your Family from Lead in Your Home**.

(e)____ Purchaser has (check (i) or (ii) below):

(i) received a 10-day opportunity or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgement (initial)

(f)____ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate

Seller	Date	Seller	Date
Purchaser	Date	Purchaser	Date
Agent	Date	Agent	Date

RIDER TO PURCHASE AGREEMENT

RE: RESIDENT STORAGE ROOM

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Unit _____ ("Unit")
33 East 74th Street Condominium
33 East 74th Street
New York, New York 10021

1. LICENSE

(a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use Resident Storage Room #_____ for a purchase price of $_____ (the "Storage License"). The Storage License to use the Resident Storage Room shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

(b) Upon execution of this Rider, Purchaser has delivered a check to Sponsor (subject to collection) in the amount of $_____ (15% of the purchase price of the Storage License) representing the Deposit due in connection with the purchase of the Storage License (the "Storage Deposit").

(c) Upon issuance of the Storage License, Purchaser shall pay to Sponsor the balance of the Purchase Price allocable to the Storage License in the amount of $_____.

(d) Upon issuance of the Storage License, Purchaser shall pay to Sponsor's Counsel the sum of $750 to reimburse Sponsor for a portion of its attorney processing fees in connection with the issuance of each Storage License.

(e) Purchaser shall be responsible for the payment of transfer taxes or other taxes, if any, that are payable in connection with the Storage License.

2. TEMPORARY CERTIFICATE OF OCCUPANCY

Purchaser may be required to consummate its purchase of use rights with respect to the Storage License even though a Temporary Certificate of Occupancy has not been issued, and access may not be available for the area of the Building designated for such use.

3. DAMAGE TO THE STORAGE AREAS

If there is a fire or other casualty to the Resident Storage Rooms and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Purchase Agreement shall be deemed modified to provide for the closing of title with respect to the Unit only. In such event, any deposit theretofore paid hereunder in respect of the Storage License shall be refunded to Purchaser.

4. CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Unit and any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under the Rider entitling Sponsor to those default remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Purchase Agreement with respect to the delivery of the Storage License shall survive. If for any reason the closing of title with respect to the Unit does not occur, there shall be no issuance of the Storage License to the Purchaser and this Rider shall have no further force or effect except that the party entitled to the Deposit under the Purchase Agreement shall also be entitled to the Storage Deposit.

5. DEFINITIONS

All capitalized terms used in this rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

6. CONFLICTS

In the event of any inconsistency between the provisions of this rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

7. FULL FORCE & EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

PURCHASER(S)

_____
(signature)

_____
(signature)

SPONSOR:
JZS MADISON, LLC

By:_____
Name:
Title:

EXHIBIT 1A

FORM OF REQUEST FOR TAXPAYER IDENTIFICATION NUMBER (W-9)

Form **W-9**
(Rev. August 2013)
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) ▶

Exemptions (see instructions):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____

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), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

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 3.

Sign Here | **Signature of U.S. person ▶** | **Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at *www.irs.gov/w9*. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

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, payments made to you in settlement of payment card and third party network transactions, 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, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and 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 under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 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 section 1446 withholding on your share of partnership income.

In the cases below, the following person must give 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:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity,
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust, and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (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, give the requester the appropriate completed Form W-8 or Form 8233.

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, payments made in settlement of payment card and third party network transactions, 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 *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* on page 1.

What is FATCA reporting? The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

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. For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulation section 301.7701-2(c)(2)(iii). 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 should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. 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, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Note. Check the appropriate box for the U.S. 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 U.S. federal tax classification in the space provided. If you are an LLC that is treated as a partnership for U.S. 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, as appropriate. 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 U.S. 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 U.S. 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.

Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the *Exemptions* box, any code(s) that may apply to you. See *Exempt payee code* and *Exemption from FATCA reporting code* on page 3.

Exempt payee code. 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. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that 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

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—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 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[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.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

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, apply for a TIN and 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 U.S. entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below 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 code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, 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) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee [1] 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. commonwealths and 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 1B

FORM OF CERTIFICATE OF FOREIGN STATUS (W-8BEN)

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 2

POWER OF ATTORNEY

UNIT OWNER'S
POWER OF ATTORNEY

_____

to

THE CONDOMINIUM BOARD OF
33 EAST 74TH STREET CONDOMINIUM

33 EAST 74TH STREET CONDOMINIUM
33 East 74th Street
New York, New York 10021
Unit No. _____

County: New York
Block: 1389
Lot: ____

Record and Return to:

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attention: Jay A. Neveloff, Esq.

UNIT OWNER'S
POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used in that certain Declaration, dated as of _____, 20___, by JZS Madison, LLC, pursuant to Article 9-B of the Real Property Law of the State of New York, establishing condominium ownership of the premises known as 33 East 74th Street Condominium, 33 East 74th Street, New York, New York 10021 (hereinafter called the "**Condominium**"), which Declaration was recorded in the New York County Office of the Register of the City of New York (hereinafter called the "**Register's Office**") on _____, 20___, as CRFN _____ (as the same may have been amended, hereinafter called the "**Declaration**"), shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration.

The undersigned: _____, having an address at: _____, the owner of the condominium unit (hereinafter called the "**Unit**") known as Unit No. _____ at the Condominium, said Unit(s) being so designated and described in the Declaration and also designated as Tax Lot __ in Block 1389 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Condominium certified by Beyer Blinder Belle Architects & Planners, LLP on _____, 20___, and filed with the Real Property Assessment Bureau of the City of New York on _____, 20___, as Condominium Plan No. _____ and also filed in the Register's Office on _____, 20___, as CRFN _____, [does/do] hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute:

A. the Board of the Condominium (the **"Board"**), jointly true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Board, or in the name of their designee (corporate or otherwise), but subject in all respects to the provisions of the Declaration and the By-Laws (collectively, the "**Condominium Documents**"), then in effect, to:

(i) acquire in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, title to any Unit, together with its appurtenant Common Interest

(a) in connection with the enforcement of the Board's lien for unpaid Common Charges or

(b) that becomes the subject of a foreclosure or other similar sale; and/or

(ii) acquire or lease in the name of the Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, any Residential Unit, together with its appurtenant Common Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, on such terms and conditions as said attorneys-in-fact shall deem proper;

(iii) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any Unit so acquired or to sublease any Unit so leased

by them, without the necessity of any authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in and to said Unit which the undersigned could do if personally present;

(iv) prepare, execute and administer Resident Storage Room Licenses and assignments and assumptions thereof; and

(v) execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the City Register's Office:

(a) any declaration or other instrument affecting the Condominium that the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Landmarks Preservation Commission, the Board of Standards and Appeals, or any other public authority (including, without limitation Chapter 3 of Title 25 of the New York City Administrative Code) applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium; or

(b) following due authorization by any affected Unit Owner(s) to the extent required in the Declaration or the By-Laws, any consent, covenant, restriction, easement or declaration, or amendment thereto, affecting the Condominium, or any of the Common Elements, in each case that the Board deems necessary or appropriate.

B. Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in its own name, as Declarant, or in the name of its designee (corporate or otherwise), pursuant to Section 16.2 of the Declaration but subject in all respects to the provisions of the Condominium Documents, then in effect, to amend this Declaration and to effectuate the rights granted to Declarant and/or the Commercial Unit Owner under the Declaration and the By-Laws and the Offering Plan, and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "**Merger**") for the purpose of transferring to or from the Commercial Unit Owner, or its successors or assigns, all or any portion of the Development Rights.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned (has) (have) executed this Unit Owner's Power of Attorney as of the ____ day of _____, 20___.

_____

_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF _____)
) ss.:
COUNTY OF _____)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the City of _____, County of _____ and State of _____.

_____
Notary Public

EXHIBIT 3

FORM OF UNIT DEED

CONDOMINIUM UNIT DEED

JZS MADISON, LLC

TO

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33 EAST 74TH STREET CONDOMINIUM
33 East 74th Street
New York, New York 10021
Unit _____

County: New York
Block: 1389
Lot: _____

Record and Return to:
Kramer Levin Naftalis & Frankel LLP
Attorneys for Sponsor
1177 Avenue of the Americas
New York, New York 10036
Attention: Jay A. Neveloff, Esq.

CONDOMINIUM UNIT DEED

THIS INDENTURE is made the ___ day of _____, 20__, by and between JZS Madison, LLC, a New York limited liability company having an address at 780 West End Avenue, 1E, New York, NY 10025 (hereinafter called "**Grantor**") and _____, having an address at _____ (hereinafter called "**Grantee**").

W I T N E S S E T H:

That Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and release unto Grantee, and the heirs or successors and assigns of Grantee, forever:

The Condominium Unit (hereinafter called the "**Unit**") in the building (hereinafter called the "**Building**") known as 33 East 74th Street Condominium and by the street address 33 East 74th Street, New York, New York 10021, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit _____ in that certain declaration, dated as of _____, 20__ , made by Grantor, Declarant, pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "**Condominium Act**") establishing condominium ownership of the Building and the land (hereinafter called the "**Land**") upon which the Building is situate (which Land is more particularly described in Schedule A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of The City of New York (the **"City Register's Office"**) on _____, 20___, as CRFN _____ (which declaration, and any amendments thereto, are hereinafter collectively called the "**Declaration**"). The Unit is also designated as Tax Lot ___in Block 1389 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of The City of New York and on the Floor Plans of the Building certified by Beyer Blinder Belle Architects & Planners, LLP on _____, 20___, and filed with the Real Property Assessment Bureau of The City of New York on _____, 20___, as Condominium Plan No. ___ and also filed in the City Register's Office on _____, 20___, as CRFN _____;

together with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration) of 33 East 74th Street Condominium;

together with the appurtenances and all the estate and rights of Grantor in and to the Unit;

together with, and subject to, all of the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and By-Laws of 33 East 74th Street Condominium, as each of the same may be amended from time to time (said By-Laws and any amendments thereto are hereinafter collectively called the "**By-Laws**"), including, without limitation, the restrictions and other provisions with respect to the permitted uses of the Unit; all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; subject also to such other liens, agreements, covenants, easements, restrictions, consents, other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively called the "**Property**").

TO HAVE AND TO HOLD the same unto Grantee, and the heirs or successors and assigns of Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 18 of the Declaration shall control.

Grantor covenants that Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Offering Plan and the Purchase Agreement (each as defined in the By-Laws), and the Declaration and By-Laws. This covenant is for the personal benefit of Grantee only and cannot be assigned to, exercised by, or inure to the benefit of any other person or entity, including, without limitation, any insurer of Grantee's title or successor to Grantee's interest.

In the event of a claimed breach of any covenant of Grantor contained in the preceding paragraph, Grantee shall first seek recovery against Grantee's title insurer before proceeding against Grantor for any breach of such covenants, it being agreed that the liability of Grantor shall be limited to the extent only that any loss or damage shall not be covered by such title insurance. In the event that Grantee shall elect not to purchase title insurance, then the liability of Grantor shall be limited to the extent only that any loss or damage would not have been covered by the title insurance that was available to Grantee as of the date of this conveyance. The terms of any marked-up title binder issued by any title insurer that is a member of the New York State Land Title Association, Inc. in connection with any unit in the Building shall be conclusive evidence against Grantee of the title insurance coverage that was available to Grantee as of the date of this conveyance.

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that Grantor will receive the consideration for this conveyance, and will hold the right to receive such consideration, as a trust fund for the purpose of paying the cost of the improvements at the Property required to be made by Grantor and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

Grantee hereby accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof, including, without limitation, all the terms and provisions with respect to the permitted uses of the Unit.

This conveyance is made in the regular course of business actually conducted by Grantor. The Unit is not subject to a credit line mortgage.

The term "**Grantee**" shall be read as "**Grantees**" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this indenture as of the day and year first above written.

JZS MADISON, LLC, a New York limited liability company

By:_____
Name:
Title:

PURCHASER:

_____
(Purchaser's Signature)

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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF _____)
) ss.:
COUNTY OF _____)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the City of _____, County of _____ and State of _____.

_____
Notary Public

SCHEDULE A

DESCRIPTION OF THE LAND

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Madison Avenue with the northerly side of East 74th Street;

RUNNING THENCE easterly along the northerly side of East 74th Street, 125 feet;

THENCE northerly parallel with Madison Avenue, 102 feet 2 inches;

THENCE westerly parallel with East 74th Street, 25 feet;

THENCE southerly and parallel with Madison Avenue, a distance of 1 foot 6 inches to the center line of the block;

THENCE westerly parallel with East 74th Street, a distance of 100 feet to a point on the easterly side of Madison Avenue;

THENCE southerly along the easterly side of Madison Avenue, 100 feet 8 inches to the corner formed by the intersection of the easterly side of Madison Avenue with the northerly side of East 74th Street, the point or place of BEGINNING.

SCHEDULE B

Permitted Encumbrances

Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the Condominium By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and the Floor Plans, all as may be amended from time to time.

3. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building or any portion or element thereof.

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

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Property.

6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

8. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for its permitted purposes.

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to

require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

11. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

12. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

19. Any additional title exceptions noted in the Specimen Title Policy set forth in Part II of the Offering Plan.

20. Survey (the "Existing Survey").

21. Any state of facts which an update of the Existing Survey or any other accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure upon another Unit or Units or upon the Common Elements may remain undisturbed as long as the same shall stand.

22. All other easements, covenants, restrictions and matters of record.

23. Covenants, conditions, easements, leases, agreements of record, etc., including, without limitation, the following:

(a) Covenants and Restrictions dated 4/4/1983 and recorded 5/2/1893 in Section 5 Liber 20 page 249.

(b) Party Wall Agreement made between Samuel Cohen and Rebecca Cohen, his wife, Morris Cohen, Martha Koehler, Phoebe C. Freeman, Lizzie Simmons and William J. Pulley, dated 1/28/1901 and recorded 2/26/1901 in Section 5 Liber 73 page 123 (affects northerly line of former Lot 21, now part of Lot 25).

(c) Premises or part of premises have been designated as a Landmark, Landmark Site or Historic District and are subject to the restricted use as provided in the New York City Charter (Charter Chapter 74 Sections 3020 and 3021 and Administrative Codes Section 25-301 to Section 25-332). Notice of Designation recorded 7/2/82 in Reel 629 page 739 "Upper East Side Historic District" (affects Lot 25 and more).

(d) Declaration of Zoning Lot Restrictions made by Whitney Museum of American Art dated as of 9/13/85 and recorded 9/17/85 in Reel 961 page 120 (affects Lot 25 and more).

(e) Lotline Window Declaration made by Whitney Museum of American Art dated 11/25/96 and recorded 11/26/96 in Reel 2396 page 1274 (affects former lots 21 and 25, now part of Lot 25).

(f) Declaration made by Whitney Museum of American Art dated as of 3/26/06 and recorded 4/5/06 as CRFN 2006000188439 (affects Lot 25 and more).

(g) Zoning Lot Certification dated 8/19/85 and recorded 9/18/85 in Reel 962 page 380 (affects former Lots 21, 22, 23 and 24 (now part of Lot 25) and more).

(h) Zoning Lot Description and Ownership Statement dated 9/14/95 and recorded 9/15/95 in Reel 2243 page 1488 (affects former Lot 21, now part of Lot 25).

(i) Zoning Lot Certification dated 8/11/95 and recorded 9/15/95 in Reel 2243 page 1492 (affects former Lot 21, now part of Lot 25).

(j) Zoning Lot Description and Ownership Statement dated 2/5/96 and recorded 2/7/96 in Reel 2283 page 2369 (affects former Lot 25 (now part of Lot 25) and more). Corrected Zoning Lot Description and Ownership Statement dated 2/8/96 and recorded 2/8/96 in Reel 2290 page 1473 (affects former Lots 21 and 25 (now part of Lot 25) and more).

(k) Zoning Lot Certification dated 8/25/92 and recorded 9/22/92 in Reel 1905 page 2481 (affect former Lot 23, now part of Lot 25).

(l) Zoning Lot Description and Ownership statement dated 9/__/92 and recorded 9/22/92 in Reel 1905 page 2587 (affects former Lot 23, now part of Lot 25).

(m) Zoning Lot Description and Ownership Statement dated 9/14/95 and recorded 9/15/95 in Reel 2243 page 1498 (affects Lot 25).

(n) Zoning Lot Certification dated 8/16/95 and recorded 9/15/95 in Reel 2243 page 1502 (affects Lot 25).

(o) Zoning Lot Certification dated 8/11/95 and recorded 9/15/95 in Reel 2243 page 1508 (affects Lot 25).

(p) Zoning Lot Description and Ownership Statement dated 9/14/95 and recorded 9/15/95 in Reel 2243 page 1514 (affects Lot 25).

(q) Zoning Lot Certification dated 3/7/06 and recorded 4/5/06 as CRFN 2006000188438 (affects Lot 25 and more).

EXHIBIT 4

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

33 EAST 74th STREET

October 4, 2013

Prepared By:
BEYER BLINDER BELLE ARCHITECTS AND PLANNERS, LLP
41 East 11th Street | New York, New York 10003 | 212.777.7800

Description of Property and Specifications

The specifications which follow are intended to outline generally the nature of work, materials and equipment and to indicate the contemplated character of the Building.

(a) Location and Use of Property

The property is located on the east side of Madison Avenue between East 74th and East 75th streets in the Borough of Manhattan. The property and proposed use will comply with all zoning and use requirements prior to the first closing.

(1) Address: 33 East 74th Street, New York, NY 10021.

(2) The Building is situated on Block No. 1389, Lot No. 25.

(3) The Building is located within Community Board 8.

(4) The Building is located within a C5-1 Special, Madison Avenue Preservation District and R8B (LH-1A).

(5) Permissible "Use" for floors Cellar through 8 is Use Group 2 Residential. Permissible "Use" for floors Cellar, 1 and 2 is Use Group 6 Retail.

(6) The project complies with the requirements of Quality Housing, insulated glazing and bike storage are provided.

(7) It is anticipated that the project will not be Self-certified.

(b) Status of Construction

(1) Year of Construction:

The landmarked brownstone townhouse facades on Madison Avenue were constructed in 1876 and the 31 East 74th Street façade was constructed in 1896.The original Building at 33 East 74th Street was built in 1901.

(2) Construction Classification:

The Building is a Class I and Class II fireproof Building.

(3) Certificate of Occupancy:

Original certificate of occupancies show 5-story mixed use Buildings.

(4) Alteration Permit:

A new C of O will be issued under application #121011403 for a 7 story residential Building with commercial (retail) at the base of the Building. The scope of work is to vertically as well as horizontally enlarge the Building. Scope also includes a new Building core, elevators, fire stairs, and renovated Residential Units. The Building was designed to be in compliance with the 2008 New York City Building Code.

(5) A Temporary Certificate of Occupancy (TCO) indicates that the property is safe for occupancy but it has an expiration date. TCOs typically expire 90 days after they are issued. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, or sell, or refinance the property. Buyers should seriously consider negotiating a closing based upon a Final Certificate of Occupancy, not a TCO. If the property has a TCO, consult with a New York State licensed professional engineer or registered architect to determine the outstanding issues, and speak with an attorney regarding the TCO status.

(6) Buyers are advised to visit the DOB website for further recommendations when purchasing unit(s) in a building that does not have a Final C of O."

(c) Site:

(1) Existing Conditions and Proposed Development:

The Site is a 12,621 ft^2 parcel located in the Upper East Side Historic District (as designated by the New York City Landmarks Preservation Commission ("LPC"), and its western portion is presently occupied by (6) 5-story, brownstone and brick Buildings with one cellar level. The eastern portion of the Site is occupied by two townhouses located at 31 and 33 East 74th Street that were altered and linked as one structure as an annex to the Whitney Museum, and a double-height library space was added in the rear yard of 33 East 74th Street in 1996. The existing building at 33 East 74th Street is to remain and be renovated as part of the proposed development, and one new floor is to be added above the current building roof level. A new structural system will be built over the rest of the site maintaining the historic visibility along Madison Avenue and East 74th Street, with setback floors at the 6th through 8th floors above. Roof-top mechanical equipment will be located behind a decorative screen wall at the main roof level. Since the property is located in the Upper East Side Historic District, the Building is subject to restrictions provided for in Chapter 8-A of the New York City Charter. In addition to meeting any requirements set forth with regard thereto in the Condominium Declaration or By-laws, prior to performing any construction work at the Building requiring a building alteration permit or affecting the exterior of the Building, application must be made to and approved by LPC for either a:

(i) Permit for Minor Work;
(ii) Certificate of No Effect, or
(iii) Certificate of Appropriateness.

LPC issued a Certificate of Appropriateness for the alteration and enlargement of the existing buildings that will comprise the Condominium on October 2, 2012.

(2) Streets:

The Site is located at the northeast corner of East 74th Street and Madison Avenue. The streets are city streets and are maintained by the City of New York. Street paving is asphalt and is in fair condition. There is one (1) catch basin on the street and it shall remain. The catch basin is located at the northeast corner of Madison Avenue and East 74th Street. The catch basin is part of the New York City storm water drainage system. The existing catch basin and drainage system appear to be in working condition.

(3) Drives, sidewalks and ramps:

(i) The existing sidewalks are beyond the property line and are to be replaced, as necessary, with new 4-inch thick NYCDOB standard concrete sidewalks. Sidewalk pedestrian ramps are to be provided at the street corners as required by NYCDOB standards. The existing granite curbs are in poor to fair condition, and will be replaced as necessary. The new sidewalks, curb cuts/ramps and curbs will be designed to NYCDOB/Local Law and ADA requirements. Sidewalks providing access to the building shall be new and designed to minimize tripping hazard and ponding.

(ii) There is positive drainage away from the Building on all sides.

(iii) There is one (1) existing light pole at the northeast corner of Madison Avenue and East 74th Street. The light pole is part of the New York City street lighting system. Present street lighting is provided by pole-mounted fixtures maintained by the City of New York. Lighting appears to be in working condition.

(iv) No lighting at the Commercial storefronts are proposed. The main entrance on East 74th will have lighting mounted under the residential area of Building canopy. The entry to Unit TH on East 74th Street will have wall-mounted light(s) at the front door.

(v) Sidewalk vaults are not part of the construction, nor are any existing vaults being maintained.

(vi) The Condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the authority having jurisdiction.

A Builder's Pavement Plan will be filed for approval by the Department of Transportation for the proposed work.

(d) Utilities:

(1) Electricity:

Service will be provided by Consolidated Edison Company ("Con Edison"). The electricity to each Residential Unit shall be separately metered. Individual Residential Units will be provided with Con Edison metering The electricity consumed in the common areas will be separately metered by Con Edison and shall be allotted to each Residential Unit as noted in the budget for the First Year of Condominium Operation as set forth in Schedule B in Part I of the Offering Plan (the "First Year's Budget"). Electricity for the Commercial Unit shall be separately metered by Con Edison.

(2) Gas:

Service will be provided by Con Edison. Gas service will be split into two outside the Building with isolation valves located by the curb (second line dedicated for emergency generator). Gas for the Residential Units will be collectively metered. The cost of the gas consumed in the Residential Units and Residential Limited Common Elements (the "Residential Area") of Building (including all gas used for cooking purposes in the Residential Units and the gas for the common areas) will be borne by the Residential Unit Owners as a common expense. Gas for the Commercial Unit will be individually metered by Con Edison and will be paid directly to Con Edison by the Commercial Unit Owner. Gas for Emergency Generator shall be separately metered by Con Edison and borne by the Residential Unit Owners as a common expense.

(3) Water and Sewer:

Service will be provided by the City of New York. Water for the residential areas of the Building shall be on common meter, and the Commercial Unit shall be on a separate common meter. Any water consumed in the Commercial Unit will be sub metered, and the cost (including the attendant sewer charges) will be billed to the Commercial Unit Owner by the Board of Managers. The water services to the residential areas, including the Residential Units shall be commonly metered and the cost including the attendant sewer charges will be charged to the Residential Unit Owners as a common expense.

(4) Telephone:

Local telephone service will be provided by Verizon and/or another service provider. Every Residential Unit Owner will be required to pay their associated telephone charges and initial charges for activating individual outlets in the Unit, except for the kitchen outlet in each Residential Unit that will be tied to the Building's intercom system through the concierge. Similarly, the charges with respect to the telephones in the Commercial Unit will be separately paid for by the Commercial Unit Owner. The telephone charges with respect to the common areas of the Buildings (such as the concierge's desk, maintenance offices, etc.) will be borne by all Residential Unit Owners as a common expense as provided in the First Year's Budget.

(5) Cable Television:

Service will be available for all Residential Units from Time Warner TV (or alternate cable TV company.) All charges for cable television service (including installation and subscription charges) will be paid by each Residential Unit Owner, who subscribes directly to the cable TV company. In each Residential Unit outlets will be provided throughout the Residential Unit. (Living Room, Dining Room, Bedrooms and Kitchen)

(6) Steam:

There is no steam supplied to the premises.

(e) Sub-soil conditions:

(1) Subsurface Conditions:

Subsurface investigation consisted of five (5) borings and eight (8) test pit excavations in accessible portions of the site and sidewalk. The investigations indicate the site subsurface conditions generally consist of successive strata of fill, decomposed bedrock overlying mica schist bedrock rock. Fill was observed 5- to 15-feet thick below the sidewalk level, generally followed by a 10- to 35-ft thick deposit of decomposed bedrock with bedrock observed 13- to 40-ft below sidewalk level. Groundwater was observed 18- to 24-ft below sidewalk level.

(2) Foundation Support:

New Building foundations will be founded on shallow foundations bearing in or on decomposed bedrock or bedrock. The Building will be founded on bedrock of a classification required to support the design loads of the building as concluded by the EOR.

(3) Groundwater Control and Flooding:

Excavation for the Cellar and Subcellar suggest that groundwater control during construction should be minimal. Infiltration quantities should be manageable using sumps and pumps.

FEMA Flood Insurance Rate Map, Community Panel No. 3604970089F (Effective Date of 5 September 2007), indicates the Site is located outside the 500-year flood zone. The new foundation walls will be waterproofed and water stops will be placed between below-grade joints. An under-slab drainage system will be installed under the Subcellar slab and connected to sump pits to collect incidental and trapped water, so it can be pumped and disposed off-site. The under-slab drainage system will consist of a

compacted layer of free draining crushed stone with a network of perforated drainage pipe placed beneath the slab. The drainage system behind new foundation walls will consist of pre-fabricated drainage panels installed against the foundation walls and connected to the under-slab drainage system.

(4) New foundation walls will be constructed. Any cracks in the foundation walls supporting the landmark façade will be repaired.

(5) There is no evidence of water penetration into the existing building at the time this report was drafted.

(6) There is no evidence of dampness or mold in the existing cellar at the time this report was drafted.

(7) There is no evidence of subterranean insect activity in the existing cellar at the time this report was drafted.

(f) Landscaping and Enclosures:

(1) No grass cover will be provided on site.

(2) Plantings will be located at the Building entrance on East 74th Street. The plantings will be in glass fiber reinforced concrete (GFRC) planters. Plant varieties at the 1st floor entrance will include evergreen shrubs and perennials.

(3) Street trees exist on East 74th Street and Madison Avenue. A Builders Pavement Plan will be filed with city agencies reflecting any changes to the number and location of street trees.

(4) Painted metal fencing exists at 31 and 33 East 74th Streets on site.

(5) A painted metal gate exists at both 31 and 33 East 74th Streets on site.

(6) Garden walls at the Cellar level rear yard/appurtenant to Unit TH will consist of brick with cast stone coping selected by the architect to match the existing brick wall to be replaced.

(7) An existing retaining wall below the garden wall will remain on site.

(8) There will be no display pools or fountains on site.

(g) Building height:

(1) The Building has two below grade levels (Subcellar and Cellar) and will rise to a height of 7 Construction Levels above grade, plus a main mechanical level (roof) and a

bulkhead roof. However, since the 1st Floor is a double-height space, there shall be no floor designated as Floor 2. For purposes of this report, the floors of the Building are designated as follows: Subcellar; Cellar; First Floor or Floor 1 (at grade); and Floors 3 through 8 (above grade). All "Floor" references herein are in accordance with such floor designations. Floor numbering in the plans for the Building filed with the New York City Department of Buildings include references to construction levels which may differ from the Floor designations of the Building as set forth above. The roof slab has an elevation of approximately 148.56 feet above the datum level known as The Topographical Bureau of the Borough of Manhattan Datum.[1]

(2) The ground floor elevation will be approximately 58.6 feet above datum at the retail space and 58.25 feet at the residential entrance and 63.10 feet above datum at the residential eastern section of the Building.[1]

(3) The top roof level will include an elevator bulkhead at approximately 157.23' above datum.[1]

(4) The roof area at the western section will include the Building stair bulkhead (roof elevation 157.23') and a mechanical screen wall (top of wall elevation 159.23'), and an exterior private residential roof terrace (elevation 137.98') at the eastern section of the Building. All elevations above datum.[1]

(5) There will be a full height cellar below the entire ground floor with a head height of approximately 10'-0" measured from the top of the Cellar floor slab to the underside the concrete floor slab above. There will be a partial Sub-cellar level below the Cellar level with head height of approximately 10'-3" at the western section and 8'-0" to underside of most beams at the existing eastern section.

(6) All useable terraces and portions of the roof have a parapet or guardrail and will have a minimum of 3'6" above the finished walking surfaces.

[1] *All elevations may be adjusted when the Building has been completed and an as-built survey of the Building designates said elevation, which datum level now designates as "zero" an elevation which is 2.75 feet above mean sea level at Sandy Hook, as computed and established by the United States Coast and Geodetic Survey, and which sea level is officially known as the "Sea Level Datum of 1929."*

(h) Structural System:

(1) The superstructure of the existing eastern portion of the Building is a terracotta arch floor system supported on steel beams and girders which are supported by cast-iron columns and masonry bearing walls. The foundation of the existing structure is spread footings. The new one story addition on top of the existing Building will be new steel framing and concrete on metal deck structure. Modified areas of the existing Building will be concrete on metal deck supported by steel beams and girders.

The new 7-story structural system will be a cast in place concrete flat plate Building with concrete shear walls as the lateral system. The strength of the concrete used in this Building will be 7,000psi. The Building will be supported on spread footings and mat foundations, with concrete strength of 5,000psi.

(2) Exterior of Building:

(i) Walls:

Existing Historic Facades: The existing exterior façades are primarily constructed with a common brick back up wall faced with brownstone, brick or stone cladding. The masonry is supported by lintels over the windows. At the existing walls to remain, 1" rigid insulation is installed at the back side of the masonry, on the interior, gypsum board on cold-formed steel studs, with foil faced batt insulation providing an R-11 insulation factor is installed.

New infill and setback facades: The new infill and setback facades will be constructed with 8" thick concrete block back up wall, a vapor permeable, air barrier membrane applied over block outer surface, 2" insulation, an air space (air space size varies) and either a terracotta rainscreen system or a zinc panel system anchored to block. All masonry ties will be galvanized. On the interior side of the new masonry wall, there will be gypsum board on cold-formed steel studs.

New one-story addition on the existing eastern section of the Building: The new one-story addition on the existing eastern section of the Building will be constructed of 6" concrete block back-up with 2" air space, faced with 4" brick anchored to block with galvanized metal ties. On the interior side of the new masonry wall, there will be gypsum board on cold-formed steel studs, with foil faced batt insulation providing an R-11 insulation factor.

New two-level addition at the rear yard of the existing eastern section of the Building: The new two-level addition at the rear yard of the existing eastern section of the Building will be constructed of 6" concrete block back-up with 2" air space, faced with 4" brick anchored to block with galvanized metal ties. On the interior side of the new masonry wall, there will be gypsum board on cold-formed steel studs, with foil faced batt insulation providing an R-11 insulation factor.

A vapor barrier will be provided below new slab on grade typically. Blind side waterproofing membrane with drainage mat will be provided at new concrete foundation walls and elevator and sump pits.

A vapor barrier and flashing terminations will be provided at all exterior walls to prevent water penetration into the building, or a system for preventing water penetration into the building otherwise recommended by the waterproofing manufacturer will be implemented

The next Local Law 11/98 inspection cycle will begin once the 7th floor structure is in place.

(ii) Windows:

Existing Historic Facades: Windows from the 3rd floor to the 5th floor at Madison Avenue and the western section of East74th Street are painted wood double-hung with insulated low-e glazing in general, by Pella Windows or equivalent, and will include painted wood sills and hardware required for operating the windows. Window anchors will be corrosion resistant. A one year warranty is provided for labor and a five (5) year warranty on the materials. Certain windows on the existing eastern section of the Building may be repaired. Windows are continuously caulked with sealant. Existing lintels are or will be repaired.

New infill facades and setback facades: Windows, doors and storefronts will be a painted aluminum, thermally broken frame with 1" insulating low-e glass, by Wausau Windows or equivalent. Windows will be painted metal sills and will be continuously caulked with sealant. Windows will be in-swing casements. Terrace doors will be out-swing. The storefronts will be at the ground floor only along Madison Avenue. They will be a painted aluminum with insulated glass at the fixed glazing. Window, door and storefront anchors will be corrosion resistant. A one year warranty will be provided for labor and a ten (10) year guarantee on the materials. Existing metal support framing at the storefronts will be scraped and protected with a rust-inhibiting coating.

No window wells are used as means of egress.

(iii) There will be no lot line windows as part of this project. All windows will provide legal light and air.

(iv) The Building facades are protected with landmark status. Work performed by the Sponsor will comply with the requirements of LPC.

(v) The Building will comply with the requirements of the New York City Local Law 11 with regards to inspection of exterior walls and appurtenances for Buildings greater than six stories in height. Since the existing Building is under 6-stories in height, there is no existing inspection report.

(3) Parapets and Copings:

Masonry parapets at the roof and terrace levels are or will be a combination of masonry and aluminum guard rails and will provide a minimum of 3'-6" above finished roof level in compliance with code requirements, and will have structural integrity. The typical new parapet detail is 8" wide masonry with zinc metal cladding. The parapets in general are or will be topped with a zinc metal copings, anchored with corrosion resistant

anchors. Railings and parapets are or will be designed to meet all applicable code requirements. Exterior grade caulking is or will be provided at joints.

(4) Chimneys and Caps:

There are no active fireplaces on site. There is one inactive fireplace/mantle that will be maintained for decorative purposes. The refuse chute will be vented above the bulkhead roof.

(5) Balconies, Terraces and Railings:

(i) The Building will have roof terraces on the 6th, 7th and 8th Residential Unit floor levels. The terraces will all have private access for the Residential Units that include terrace areas. Access for Building maintenance staff will be provided through common stairways and doors to equipment areas on the main roof level.

(ii) All terraces will be waterproofed with a fluid-applied waterproofing membrane assembly applied to the concrete slab. Above the waterproofing membrane will be 4" thick rigid insulation and drained with primary and secondary drains.

(iii) All terraces will be paved with precast concrete pavers on pedestals.

(iv) The terraces will be enclosed with parapets and railings as necessary to comply with code and shall be capped with cast stone or formed zinc copings.

(v) There are and will be no soffits on the exterior.

(vi) Doors to private terraces will be aluminum doors with multi point locking, tempered glass, standard hardware and standard adjustable hinges.

(vii) Terraces will be designed for superimposed loading of 60lb/sqft. (allowing 33 psi max. point load) at the Unit TH and Unit PH3 terraces, and loading of 150lb/sq ft at the remaining units with terraces. This load limit may not be exceeded by Residential Unit Owners.

(viii) All exposed flashing will be copper at terraces and stainless steel at non-terrace areas.

(ix) All railings will be aluminum with vertical members, a powder coated finish and minimum 42" above finish floor. There will be no horizontal railings that could be used as a ladder by children.

(x) All exterior metals, including fasteners, shall be corrosion resistant.

(xi) All terraces will be provided with roof drains. Perimeter edge drip grooves will not be provided.

(6) Exterior Entrances:

(i) Exterior residential entry lobby doors, sidelights and transoms will be stainless steel assemblies with single glazed, tempered glass inset panels at doors, manufactured by Ellison or equivalent. The entrance will be ADA compliant. The exterior entrance will be provided with adequate lighting set into the canopy over the entrance doors. The concrete sidewalk outside the entry slopes away from the doors, to an area drain which will be adequately sized for drainage. The exterior entrance shall be designed to minimize tripping hazards.

(ii) There are existing exterior masonry and tinted concrete steps to Cellar level at 31 East 74th Street, and to 33 East 74th Street Ground Floor private entrance that will be repaired or replaced.

(iii) There are existing exterior historic painted metal railings at the existing entrances on East 74th Street which will be outside Unit TH. The railings shall be primed and painted to protect them from corrosion and refurbished as required.

(iv) There are no exterior mailboxes. Mailboxes will be located within the First Floor residential lobby space off the elevator lobby and are USPS approved aluminum units, manufactured by Florence or equivalent.

(v) See section c.3 (iv) above for description of entrance lighting at both the Residential Lobby entrance marquee and the Commercial Unit storefront awning assemblies, if applicable.

(vi) Exterior Commercial Unit doors will be painted aluminum balanced door assemblies with tempered glass insets, manufactured by Wausau Windows or equivalent.

(7) Service Entrances:

(i) The service entrance located at East 74th Street will have a painted hollow metal frame and door. Adequate lighting will be provided. An area drain will be provided outside the service door which will be adequately sized for drainage.

(ii) Painted metal gate, tinted concrete exterior service stair and painted metal railings are existing, and shall be primed and painted to prevent corrosion.

(8) Roof and Roof Structures:

(a) The Residential Unit roof terraces will be comprised of a system of a fluid-applied waterproofing membrane assembly over concrete slab, as manufactured by Kemper Systems, Soprema or equivalent. Above the waterproofing membrane will be 4" thick rigid insulation (R20) and precast concrete pavers supported by pedestals. Pavers shall be

professionally installed so as not to impeded drainage nor void the manufacturer's warranty.

(b) The elevator and egress stair bulkhead roof will be a roof system comprising a two ply modified bitumen waterproof membrane above rigid insulation (R20).

(c) The main mechanical outdoor area roof will be a system comprising of a fluid-applied waterproofing membrane assembly over concrete slab with rigid insulation (R20). Above the waterproofing membrane will be concrete pavers.

(d) A 20-year, No Dollar Limit (NDL) Manufacturer's Warranty will be provided for materials and labor.

(e) Flashing will be typically reinforced fluid-applied membrane flashing assemblies with copper or stainless steel cap flashings to be set-in reglet.

(f) All exterior metals, including fasteners shall be corrosion resistant.

(g) All roof-top equipment will be mounted on isolators to manage vibration transmittance to units below. An acoustic screen wall will be provided around roof-top equipment to reduce noise. Steel dunnage will be primed and painted with two coats of paint.

(i) Drains:

(a) There will be 4" roof drains and overflow drains with dura-coated cast iron bodies and cast iron domes located at the main roof and all terraces. The low roof over the bay window located at the south façade will be provided with a cast iron scupper drain and shall be drained via gutter to match existing conditions. All storm drainage piping shall be cast iron no-hub with exception to the header into the storm water detention tank, which shall be constructed with galvanized piping and Victaulic fittings for additional pressure and force resistance. All horizontal storm pipes within the building shall be provided with 1" cellular glass insulation.

(a) There will be zinc gutters and leaders located at the firestair and elevator bulkhead roofs.

(ii) Skylights:

(a) There will be no skylights at the Building.

(iii) Bulkheads:

(a) There is will be stair bulkhead at the 33 East 74th Street roof. There will be one elevator bulkhead and one stair bulkhead serving two egress stairs on the main roof. The bulkheads will meet the requirements of the NYC Building code.

(iv) Metal Work at Roof Levels:

(a) There will be one (1) vertical galvanized steel ladder to the egress stair bulkhead roof and (1) vertical galvanized steel ladder to elevator bulkhead roof.

(b) There will be miscellaneous hot dipped galvanized steel dunnage assemblies within the mechanical equipment roof area to support cooling towers, A/C units, and exhaust fans. All rooftop reciprocating equipment will be supported on spring and neoprene vibration isolators to limit transfer to Residential Units below.

(v) Roof Top Facilities:

(a) See section h.8 (a) above for description of the roof terraces.

(b) Access to all roof areas shall be provided to the maintenance staff for standard Building maintenance.

(c) The owners of Residential Units with roof terraces shall not install or permit any item or improvement upon the roof which exceeds a maximum 60 pounds/sq. foot load at Unit TH and Unit PH3 and 150 pounds/sq.ft at remaining Residential Unit terraces. Should any desired improvements exceed this maximum load, it will be the Residential Unit Owner's responsibility to have a professional structural engineer design additional support to increase the load-bearing capacity of the desired level provided that the Board of Managers first approves a request by the Residential Unit Owner for such heavy loads.

(d) There will be no roof development rights available to any of the Residential Units in the Building.

(9) Fire Escapes:

(i) There will be no exterior fire escapes.

(ii) There will be no drop ladder on this site.

(10) Yard and Courts:

(i) There will be a rear yard appurtenant to Unit TH. The yard will be bounded by a reinforced brick wall anchored to an existing retaining wall to the east (the retaining wall is structurally adequate) and exterior walls at the south, west and north. An area drain will be provided, adequate to serve the size of the yard. Precast concrete pavers or similar on setting bed may be provided. There will be no railings or stairs in the rear yard. The yard complies with DOB requirements.

(ii) The rear yard shall be provided with cast iron dome type drain and overflow and shall drain into the sump pit located in Sub-cellar level.

(11) Interior Stairs:

(i) There will be two (2) main concrete egress stair (Stair "A" and "B") assemblies which will extend from the Sub-cellar floor to the roof.

(ii) All of the fire rated stair enclosures will be of painted 2 hour fire-rated gypsum wall board construction, poured in place concrete, and/or CMU wall construction to meet the requirements of the City of New York for a Class 1 fireproof Building.

(iii) Fire stair construction for Stair A and B will be of poured-in-place, reinforced concrete stairs.

(iv) Fire stair handrails will be of tubular steel.

(v) Convenience stairs at Units TH, PH2 and PH3 will be constructed with steel or wood stringers, steel pan tread and riser pans or wood framing, and clad with stone or wood. Railings will be painted metal.

(12) Interior doors and frames:

(i) Residential Unit entry doors will be solid core wood, paneled doors , door and frame construction will have self-closing hardware. Doors and frames will be 90 min fire-rated and will be nominally 2-1/4" thick and approximately 3'-0" wide by 7'-6" high. The bedroom, bathroom, and closet doors within Residential Units will typically be nominally 1 ¾" thick and approximately 3'-0" wide by 7'-6" high in size and will be constructed of wood jambs. Typical interior doors will have polished nickel (or similar) finish hardware. The doors to the shower within bathrooms will be metal-framed safety glass assembly.

(ii) All doors at corridors and fire stairs, other than Residential Unit entry doors, will be fire-rated hollow-metal doors and frames. Doors at Roof bulkheads will be fire-rated, insulated hollow metal doors and frames.

(13) Elevators:

(i) There will be one (1) 2,000 pound and one (1) 2,500 pound capacity passenger elevators ("PE1" and "PE2") serving the main part of the Building. Elevators will run at a speed of approximately 200 fpm. Elevators PE1 and PE2 will be the machine room-less (MRL) gearless traction type manufactured by any of the major elevator companies such as Otis Elevator, Kone, Schindler and ThyssenKrupp or equivalent, such as Hollister Whitney and Motion Control Engineering.

(ii) There will be two (2) 750 pound capacity Private Residence Elevators ("PRE1" and "PRE2") each located in one of Unit TH and Unit PH3. These elevators will be running at speed of approximately 40 fpm . PRE1 and PRE2 are cantilevered roped hydraulic elevators as manufactured by Savaria, Concord or equivalent. Required certificates of inspection and permits for the operation of the elevators will be issued prior to the Residential occupancy of the Building.

(iii) Commercial Unit spaces. Hydraulic elevator(s) may be provided, and would run at a speed of approximately 100 fpm.

(iv) Elevators PE1 and PE2 will operate as a duplex selective collective system. All traction elevators will have variable voltage variable frequency drives.

(v) Elevator PE2 will have a clear cab with dimensions of approximately 5'-8 1/2" wide x 4'-3" deep and will be fitted with a nominal approximately 3'-0" wide door x approximately 7'-0" high. Elevator PE1 will have a clear cab with dimensions of approximately 6'-8 ½" wide x approximately 4'-3 ½" deep. Cab dimensions will be in compliance with ADA guidelines. Each cab will accommodate up to 8 and 10 persons according to the clear cab area. Elevator PE1 will be sized to accommodate a 24" x 76" stretcher as required by the Building code.

(vi) The elevators will have push button panels consisting of numbered floor call buttons and shall be a duplex selective collective system.

(vii) Elevator PE1 will provide service to levels Subcellar, Cellar, First Floor and Floors 3-8 (3rd-8th floor Residential Unit plan). Elevator PE2 will serve levels Cellar, First Floor and Floors 3-8. Private Residence Elevator PRE1 will serve levels Cellar, First Floor and Floors 3 & 4, and PRE2 will serve Floors 5, 6 and 7, each within the applicable Residential Unit.

(viii) Passenger elevators PE1 & PE2 will have single speed side opening doors as mandated for ADA compliant elevators. Residential Unit Elevators PRE1 and PRE2 will have swing doors.

(ix) The elevator control room for PE1 and PE2 will be located on the Subcellar level, and will be provided with (1) fan coil unit with capacity of approximately 26,000 btuh, and will be exhausted via exhaust fan to common duct which will terminate

on the roof. Elevators PRE1 and PRE2 will have machine rooms on the Subcellar and 5th Floor level, respectively.

(x) Each MRL traction elevator will be driven by a permanent magnet induction motor and a variable voltage, variable frequency drive.

(xi) Each private residence roped hydraulic elevator will be driven by pump motor with reduced voltage (Wye Delta or equivalent) start or electronic soft start controller.

(14) MRL elevator Cabs:

(i) The cabs will be custom made.

(ii) The floor finish will be stone.

(iii) The walls panels will be laminated glass.

(iv) The ceiling will be a suspended ceiling consisting of six panels each clad in a bright black stainless steel finish.

(v) The cabs will be illuminated by four (4) LED recessed down light fixtures.

(vi) Safety system will be provided by alarm bells, safety interlock on sliding doors, key operated fireman's service switch, and intercommunication system.

(vii) Private residence elevators will have cabs selected from the manufacturer's available options.

(15) Acoustics:

(i) Building structural slabs and Residential Unit demising partitions comprising of 2 layers of 5/8" gypsum board on each side of a 3-5/8" cold-formed steel studs with acoustic batts will be provided for compliance with Section 1207.2 of the New York City Building Code which requires minimum airborne noise insulation performance of STC-50, or 45 if field tested in accordance with ASTM E 336. Projected performance of vertically aligned spaces are designed to achieve STC-60. Projected performance of demising partitions between adjacent units are designed to achieve STC-60. Projected performance of demising partitions between units and shared corridors are designed to achieve STC-55.

(ii) Acoustic floor underlayments will be provided beneath finish floors for compliance with Section 1207.3 of the New York City Building Code which requires minimum structure-borne noise insulation performance of IIC-50, or 45 if field tested in accordance with ASTM E 1007 in completed construction. Wood floors, and stone tile floors will be provided with 5mm dimpled rubber to provide

sufficient muffling of impact sounds. Projected performance of vertically aligned spaces will achieve impact isolation of IIC-50.

(iii) There will be mechanical equipment located on the main roof level which will be surrounded by an acoustic barrier wall, mechanical noise levels are projected to be less than current ambient noise level of 55 dBA at any point on the Residential Unit terrace spaces below. Mechanical noise levels are projected to be less than 42 dBA as measured inside any open Residential Unit window looking upon the terrace, in compliance with Section 24-227 of the New York City Noise Code.

(i) Auxiliary Facilities:

(1) Each Residential Unit will contain one (1) electric washer and one (1) gas dryer as indicated in the Appliance and Laundry Schedule. Each dryer will be vented directly to the main dryer exhaust system. Residential Unit dryers will be provided with exhaust ventilation of 180 CFM. Exhaust fan will be a roof type fan and duct termination will be on the roof.

(2) Refuse disposal:

(i) There will be no incinerator.

(ii) There will be one (1) trash chute shaft located adjacent to the main core. Each Residential Unit will have access to the trash chute from the 3rd floor through the 8th floor public corridors. The trash chute equipment will be capable of handling general trash only. The trash compactor will be manufactured by Midland Chutes or equivalent. The trash compactor will be located in the Subcellar trash room.

(iii) Refuse storage will be located in the Subcellar and will be transferred from the Subcellar to the street for removal approximately three times a week, by the Building's staff.

(iv) Refuse pick-up will be provided by the City of New York (presently three times a week). Recycling will be picked up by the City of New York (presently once every two weeks).

(v) Each Residential Unit Owner will deposit recyclable materials in the space provided on each floor in the refuse room for removal to the Subcellar.

(vi) The Commercial Unit Owner and any commercial tenant or occupant shall be required to arrange for trash hauling with a private carting service and shall be responsible for all associated costs.

(3) Residential Storage: Residential storage areas will be located on the Subcellar level containing a total of approximately 10 individual storage areas of varying sizes. 3'-0"

wide by 7'-0" high swing doors will be provided. Storage areas are intended for non-hazardous household goods. For measurement purposes, the approximate square foot area of each residential storage room is measured horizontally from and to the midpoint of the interior walls and partitions separating one residential storage room from another residential storage room, or the mid-point of the interior walls and partitions separating a residential storage room from corridors, stairs, elevators or other mechanical equipment spaces, and to the approximate face of the existing perimeter masonry foundation walls, as the case may be. Columns, mechanical pipes (whether along the perimeter or within the resident storage room) where totally or partially contained within the residential storage room are not deducted from the square foot area of the residential storage room.

(4) Bike Storage: A bike storage room will be located on the Subcellar level with a 6 bike capacity stored horizontally on two levels which will be available on a first-come, first-served basis.

(5) Package Room & Storage Room: A package room and storage room with a refrigerator and freezer within will be provided at the first floor.

(j) Plumbing and Drainage:

(1) Water Supply: A 4-inch new domestic water service with a backflow preventer and water meter will be provided from the public water main to constant pressure system rated at 90 GPM. Pumps shall supply the residential area of the Building domestic usage. A 3-inch sub-metered domestic water connection will be provided to the Commercial Unit. The Building will be supplied by one (1) zone of cold water, hot water and hot water circulation for the residential area of Building and one (1) zone cold water only for the Commercial Unit. Domestic hot water will be provided via gas-fired heaters. The material of water pipes will be Type "L" copper. Hot and cold water pipes shall be insulated with 1" fiberglass insulation.

(i) Two (2) gas fired domestic water heaters will be located at Subcellar level.

(2) Fire Protection System: One (1) new 6-inch water service from East 74th Street with 6-inch double detector check valve to supply a 500 GPM Automatic Fire Pump.

(i) The fire standpipe system will consist of two (2) 4-inch fire standpipe risers. A three way roof manifold will be provided. The fire standpipe will be supplied by Automatic Fire Pump.

A 2 ½ inch hose valve with cap and chain will be located in every stair throughout the Building. Auxiliary hose connections will be provided in the Commercial Unit, unless use of fire extinguishers is permitted by governing authority.

Piping will be schedule 10 (for 2-inch and smaller) or schedule 40 (for 2½-inch and larger) steel piping with rolled or cut grooved or threaded joints.

(ii) A locked storage cabinet and locked key box will be located at the First Floor in the residential lobby in the location approved by the Fire Commissioner. The locked cabinet shall contain three (3) open nozzles, two (2) 1½-inch spanner wrenches, two (2) 2½-inch spanner wrenches, two (2) 2½-inch by 1½-inch non-swivel reducing couplings and 375-feet of 1½-inch hose.

(iii) Sprinkler water will be supplied from the automatic fire pump. Automatic wet sprinklers will be supplied from combined FSP/sprinkler riser for entire Building. Piping will be schedule 10 or 40 steel piping with grooved or threaded joints. The Building will be completely sprinklered, utilizing sidewall, recessed and pendant type heads.

(iv) One (1) 6" x 3" x 3" Siamese combined fire sprinkler and standpipe connection will be provided at East 74th Street, maximum 15-feet from the Building corner. If the indicated location is not permitted, a second Siamese will be added on Madison Avenue.

(3) Water Storage Tank(s) and Enclosures: There will be no water storage tanks at the premises.

(4) Water Pressure and How Maintained: Domestic water pressure will be maintained by a constant pressure system to provide a minimum of 30 psi at upper zone fixtures.

(5) Sanitary Sewage System:

(i) Sanitary sewage will be conveyed by gravity via vented soil and waste branches, stacks and house drains to a new combined house sewer connected to the existing municipal combined sewer system on East 74th Street which is permitted. Drainage and vent piping will be no-hub cast iron piping with stainless steel coupling and rubber gaskets. Underground drainage and vent piping will be service cast iron piping and fittings. The house trap will be provided with a fresh air inlet, terminating 2-feet above street level on East 74th Street. The house sewer material will be cast iron pipe.

(ii) The Building from the First Floor up will be connected to the existing municipal combined sewer system and flows by gravity out to the street main. The Cellar sanitary system will be serviced by duplex sewage ejector rated at 125 GPM each at 45 feet head.

(iii) One (1) duplex sump pump rated at 125 GPM @ 45 feet head.

(iv) One (1) duplex sewage ejector pump rated at 80 GPM @ 45 feet head.

(v) One (1) new 8" combined sewer connected to street municipal combined sewers on East 74th Street.

(6) Permits Required: All permits will be obtained by the plumbing contractor.

(7) Storm Drainage System: Gravity roof drainage from roof drains and terrace drains to a detention tank. From the detention tank, storm water flows to one (1) new 8-inch combined sewer connected to street municipal sewer on East 74th Street.

(i) No Catch Basins

(ii) Roof and terrace drains will be located on the roof and terraces.

(iii) A concrete detention tank will be provided at the Subcellar level with access through a hatch located in the cellar commercial space. The tank will be designed to detain a maximum of 4600 gallons of rain water, with a discharge of 1.024 CFS into combined 8-inch sewer. The tank will also provided with an emergency overflow port.

(iv) Cast iron piping with hub and spigot fittings and push-on joints.

(v) Subsoil and foundation drainage will be located below sewer level and will be connected to the sewer system through the sump pit.

(vi) All sanitary drainage in the Cellar level below sewer level is connected to the sewer system through ejector pit.

(k) Heating:

(1) General: Heating Hot Water and Chilled Water will be provided to the Residential Units year round by circulating hot and chilled water to ceiling mounted fan coil units. Each fan coil will provide heating and cooling capabilities for year round operation.Fan coil units are manufactured by International Environmental Corporation or equivalent. Description of fan coil unit specifications, output, and model numbers are delineated on the Equipment Schedule drawing M-401.

Hot and chilled Water valved outlets will be provided for the commercial spaces

Reference should be made to the Building plans and specifications for the type of fan coil units to be installed in each Residential Unit.

2) Hot Water Production: The hot water in the central space heating system will be produced by two (2) gas fired hot water boilers . This hot water will be piped through schedule 40 steel pipes, which will be both welded and screwed with 150 pound fittings. The boilers will be new, manufactured by Weil-McClain or equivalent, have a thermal efficiency of approximately 83.1% each and combustion efficiency of approximately 84.4%. Boiler warranty will be (1) year on parts, (10) years on heat exchanger. Input

Capacity will be approximately 1,356,000 btuh and output capacity will be approximately 1,126,000 btuh. Burners will be new, burner make and manufacturer to be selected by building contractor. Boilers will have electric controls.

Domestic hot water will be produced for the Building by instantaneous water heaters, each of which will be gas fired and have a rated minimum capacity as shown on drawings from 40 degrees Fahrenheit to 140 degrees Fahrenheit. The heaters will be sized so that each heater can handle 65% of the Domestic load. The gas used to operate domestic hot water systems will be supplied by Con Edison.

Instant hot water tank by Insinkerator', model SST-FLTR or equivalent will be provided at kitchen sink.

HVAC ductwork insulation type will be fiberglass. Insulation manufacturer shall be Johns Manvillle or equivalent

Piping Insulation type will be fiberglass. Insulation shall be Johns Manville or equivalent

(l) Gas Supply: (IMR)

(1) Natural gas will be provided to the Building by Con Edison for cooking and use in the Residential Units. The gas will be metered through meters provided by the gas Utility Company, and will be supplied and distributed through black steel piping. Gas will be separately metered for the residential area of the Building and the Commercial Unit. Natural gas on separate meter will be provided for the emergency generator.

(m) Air Conditioning: (IMR)

(1) Chilled Water Production: The chilled water used in the central air conditioning system will be produced by (6) Modular roof-mounted, air cooled chillers which have a total rated capacity of 160 tons with 30 percent Glycol mixture. Chilled and hot water valved outlets will be provided for the commercial spaces. Meters will be provided by tenants in the future. All rooftop equipment will be supported on spring and neoprene vibration isolators to limit transfer to Residential Units below. All fan coil units within Residential Units will be supported on spring and neoprene vibration isolators to limit transfer to adjacent spaces.

(2) Public Areas: The residential lobby will be serviced by an independent chilled water / hot water fan coil unit or equivalent by other manufacturers for heating and cooling. The public hallways will be served by AAON Roof Top HVAC Unit or equivalent by other manufacturers for heating and cooling. These units will provide 100 percent outside air ventilation to the public hallways. Description of equipment specifications, output, and model numbers are delineated on the Equipment Schedule drawing M-401.

(3) All air handling units and fans on the roof will be mounted on vibration isolators. All rooftop equipment will be provided with metal fasteners that are corrosion resistant.

Units are designed for outdoor operation. All HVAC water piping on roof will be provided with insulation and aluminum jacket and electrically heat traced. All HVAC Roof equipment will be mounted on dunnage or concrete pads. All dunnage will receive one primer and (2) finished coats of paint. All windowless areas requiring ventilation will be provided with a minimum of 0.5 cfm/sq. ft. All mechanical equipment Noise Criteria will be 30-35 in space and exterior per NYC code requirements.

(n) Ventilation: (IMR)

(1) Interior bathrooms, kitchens and laundry rooms will be conditioned and/or ventilated through Residential Unit fan coil unit and exhaust fan systems exhausting to exterior of Building.

(2) Fresh air for Residential Units will be provided by AAON Air Cooled/Gas Fired HVAC units or equivalent supplying 100% fresh air. All Residential Units will be provided with operable windows for code requirements.

(o) Electrical Systems:

(1) Electric service will be provided by Con Edison at 208 volts, 3 phase, 4-wire to an electric Switchboard Room and distributed through various size service switches for the residential area of the Building and the Commercial Unit portion of the Building, the automatic fire pump, and the balance of the Building.

(2) Electric service will be provided to the Residential Units from meterbanks located in the main electric room. Individual feeders, as listed below will be run to each Residential Unit. Metering will be provided by Con Edison.

a)	Unit 3A-	175amp, 1phase, 3wire panel with 3#2/o feeder.
b)	Unit 3B-	175amp, 1phase, 3wire panel with 3#2/o feeder.
c)	Unit 4A-	175amp, 1phase, 3wire panel with 3#2/o feeder.
d)	Unit 4B-	175amp, 1phase, 3wire panel with 3#2/o feeder.
e)	Unit 5A-	175amp, 1phase, 3wire panel with 3#3/o feeder.
f)	Unit 5B-	175amp, 1phase, 3wire panel with 3#4/o feeder.
g)	Unit PH-1-	175amp, 1phase, 3wire panel with 3#4/o feeder.
h)	Unit PH-2	150amp, 3phase, 4wire panel with 4#1/o feeder.
h)	Unit TH	175amp, 3phase, 4wire panel with 4#3/o feeder.
i)	Unit PH-3	175amp, 3phase, 4wire panel with 4#3/o feeder.

(3) The Commercial Unit areas will each be separately metered for electric service. There will be common metering for the residential storage areas and the common area facilities of the Building.

(4) Circuits will be provided in each Residential Unit with the capacity to handle all loads within the Residential Unit(s) (lighting, appliances, and receptacles).

(5) Switched lighting fixtures will be provided in all bathrooms, walk-in closets, foyers, kitchens and where shown on drawings and specifications. Switches for future ceiling lighting to be provided by Residents will be provided in living rooms, dining rooms and bedrooms. Ground fault receptacles (GFCIs) will be provided in bathrooms, kitchen and terraces. Circuits serving receptacles located within sleeping areas and bedrooms will utilize AFCI circuit breakers. The fan coil units in each Residential Unit will be wired directly to the Residential Unit's electrical panel. Refer to Lighting Specifications for schedule of lighting fixtures.

(6) Adequacy: Residential Unit(s) services, including switching and fusing shall be adequate for modern day appliances, lighting, convenience outlets, washers, gas dryers and fan coil units served by central plant.

(7) General fluorescent lighting will be provided in the residential storage areas.

(8) A rooftop gas fired 60 KW/120,208volt/3phase/4wire emergency generator manufactured by Olympian or equivalent shall be provided to handle required emergency lighting, fire alarm system and one elevator power in the event of failure of normal power. The generator manufacturer shall provide a 12 month warranty for the generator.

(9) No three-way switches will be provided in the Subcellar or Cellar.

(10) Exterior receptacles shall be provided with approved weather resistant covers and wiring methods.

(11) All 125volt 15 and 20 amp receptacles located within dwelling units shall be tamper resistant.

(p) IT/Security:

(1) Telephone service will enter the Building from street, be fed to a main telephone room located on the Subcellar level and then distributed through conduits and sleeves to various areas of the Building, including the communications closets servicing the Residential Units. Each Residential Unit will receive telephone service through cables running between an enclosed closet in the Residential Unit and the communications closet servicing the Residential Unit. Each Residential Unit shall have provision for telephone, internet access, television and intercom .

(2) The Building will be provided with an intercom system as manufactured by Siedle or Equal, permitting communication between concierge and Residential Units .

(3) Closed circuit television cameras will be provided at selective locations with viewing monitors at the concierge's desk. The cameras will be designed to cover the immediate area within the view of the cameras, and will not necessarily cover all of the areas involved.

(4) The Building will be provided with access control/alarm monitoring system. All residents will be provided with access control . Access control readers will be provided at selected doors such as perimeter entry, private entry, bike storage, etc. The access control readers may be provided for both main elevator cars.

(5) A video intercom will be provided for Unit TH. The multiple video intercom station will be provided for Unit TH for cellar level through third floor. All interior stations will be able to communicate between each other.

(6) The voice intercom that supports communications between concierge and Residential Unit phones will be provided.

(7) The Building will be provided with a fire alarm and communications system to meet the requirements of the New York City Building Code 2008.

(8) Wiring will be installed in each Residential Unit to enable the Residential Unit Owner to obtain cable television service from a cable television provider. No outlets will be provided for connecting to these wires. (Such connections will be installed by the cable television provider, at the Residential Unit Owner's expense, at the locations in the Residential Unit where the owner desires to receive the service.

(9) The Building will not be equipped with a master television antenna system.

(q) Public Area Lighting:

(1) All street level entrances to the Building and Residential Units will be provided with light fixtures. The corridors will be provided with light fixtures. The lobby will be provided with recessed and surface mounted fixtures. All lighting will be designed in accordance with the NYC Building Code. Refer to Lighting Specifications 16500 for schedule of lighting fixtures.

(2) Public and back of house corridors will be provided with (2) two circuits. One circuit will be on the emergency generator. The second circuit on the normal lighting system. The residential lobby will have designated lighting fixtures assigned to the emergency lighting system.

(3) Lighting in the stairwells will be provided by circuits from the emergency generator. Specifications for back of house lighting are provided on electrical drawings.

(r) Garages and Parking Areas:

(1) There will be no parking garages on site.

(s) Swimming Pools:

(1) There are no swimming pools contemplated to be on site.

(t) Recreation Facilities:

(1) There will be no tennis courts or playgrounds on site.

(2) There will be a fitness center located on the Cellar level. It will contain a fitness room and unisex restroom. The space will contain both cardio machines and weights and will be for the exclusive use of the residents.

(3) There will be a resident bike storage room on the Subcellar level.

(u) Permits and Certificates:

(1) Permits Required:

New York City Department of Buildings:
Alteration type 1
Structural
Mechanical
Plumbing
Sprinkler
Standpipe
Fire alarm
Construction fence
Construction Shed
Elevator
Boiler
Fire protection Plan

(2) Inspections Required:

Soil Site Preparation
Underpinning
Boiler
Sprinkler test
Standpipe test
Fire alarm test
Firestopping
Fireproofing of structural members
Fire resistive construction
Mechanical systems
Concrete
Concrete design mix
Concrete test cylinders

Structural stability
Steel
Structural Masonry

(v) Violations:

(1) The following outstanding violations are open per Department of Buildings records:

(i) V 030801LL108101128 – Failure to file annual elevator report for year 2000
ECB Violation #35055694K – Failure to maintain Boiler (A)

(w) Residential Unit Information:

(1) The approximate square foot area of each Unit is measured horizontally on each of one or more floors from the exterior side of the exterior wall of the Building to the midpoint of the interior walls and partitions separating a Unit from another Unit or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Unit) where totally or partially contained within the Unit are not deducted from the square foot area of the Unit. The vestibule immediately to the east of the double entry doors to Unit PH-1, which is a Common Element, measured to the centerline of the partitions defining this space, has been included in the square foot area of Unit PH1. All Terrace dimension measurements are measured horizontally from the exterior face of the wall of the Unit to which such Terrace is appurtenant to the parapets, divider screens and landscaped planters, inclusive of these elements. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Notwithstanding the foregoing, the western edge of the 7th Floor Terrace appurtenant to Unit PH2 has been measured from the exterior face of the railing of such Terrace, inclusive of such railing, and excludes the area beyond such railing, which excluded area comprises a setback required by the New York City Landmarks Preservation Commission, and shall not be a part of such Terrace. The Yard dimension measurements are measured horizontally from exterior faces of the south and west brick walls to the east and north property lines. All Resident Storage Room dimension measurements are measured horizontally to and from the mid-point of the interior walls and partitions separating one Resident Storage Room from another Resident Storage Room, or the mid-point of the interior walls and partitions separating a Resident Storage Room from corridors, stairs, elevators or other mechanical equipment spaces, and the approximate face of the existing perimeter masonry foundation walls, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Storage Room) where completely or partially contained within the Storage Room are not deducted from the square foot area of the Storage Room. All dimensions on the Residential Units' plans/exhibits are approximate and subject to normal construction variances and tolerances. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the

floor slab above. Any floor area occupied by a Common Element bordering or within a Unit (including, but not limited to, portions of the Building's façade or exterior walls, vents, chase walls, or areas, conduits, ducts, shafts or pipes), may have been included in the computation of the floor area of a Unit, but such Common Elements are not part of such Unit.

All construction documents and specifications refer to construction level designations. Residential Unit floor naming is indicated as follows:

Construction Level	Residential Unit Floor Name
Cellar	Cellar
1	1 or First
2	3
3	4
4	5
5	6
6	7
7	8
Roof	Roof

Wood floor species will be ¾" thick white oak or similar hardwood with plywood underlayment. See Section (x) for locations. All walls and ceilings to be painted shall receive a primer coat and two finished coats of paint.

(2) There will be Commercial Unit space located on the First Floor and Cellar levels. Residential areas, including amenities and storage space for Residential Units will be located in the Subcellar and Cellar Level.

(3) Third floor through fifth floor Units 3A, 4A, and 5A shall have a foyer, storage closets, one master bedroom with master bathroom, two secondary bedrooms with bathrooms, one powder room, a living room, dining room, a kitchen, an entrance foyer, gallery, laundry room.

(4) Third floor through fifth floor Units 3B, 4B and 5B shall have a foyer, storage closets, one master bedroom with master bathroom, two secondary bedrooms with bathrooms, one powder room, a living room, dining room, a kitchen an entrance foyer, gallery, laundry room..

(5) The sixth floor Unit PH-1, shall have one master bedroom with master bathroom, three secondary bedrooms with bathrooms, one powder room, living room, dining room with butler's pantry, family room, kitchen, an entrance foyer, gallery, storage closets and a laundry room. Additionally, Unit PH-1 will have an outdoor terrace.

(6) The seventh floor Unit PH-2, will be a duplex Residential Unit with private stair up to the eighth floor. The seventh floor level shall have a foyer, storage closets, living/dining room, foyer, kitchen, powder room, family room and one secondary bedroom with

bathroom. The eighth floor level shall have a foyer, storage closets, one master bedroom with master bathroom, two secondary bedrooms with bathrooms, a gallery and a laundry room. Additionally, it will have an outdoor terrace at the seventh floor and eighth floor.

(7) Unit TH –the Cellar level shall have a family room, bedroom and bathroom, powder room, storage closet , laundry room and rear yard garden; second level - a private entrance and foyer, storage closets, a gallery, a second living room, library , kitchen, bedroom with bathroom, powder room ; third level: entry foyer, storage closets, main living room with butler's pantry, dining room with butler's pantry, powder room; fourth level: master bedroom and master bathroom, (2) secondary bedrooms with private bathrooms, and storage closets. There shall be an open stair and private elevator serving all levels.

(8) Unit PH3 (located above unit TH on floors 5 to 7) - first level : foyer, storage closets, master bedroom and master bathroom, (3) secondary bedrooms with private bathrooms, laundry room; second level: entry foyer, storage closets, living room, dining room with butler's pantry, kitchen, powder room; third level: foyer, storage closets, family room, bedroom and bathroom, kitchenette, terraces on the north and south side of the unit, stair up to Roof; Roof terrace. There shall be an open stair and private elevator serving all levels except the roof.

(x) Finish Schedule:

Refer to drawings and specifications for style, dimensions and specific finishes for each finish type.

(1) Residential Unit Finish Schedule:
Finishes are typical for all Residential Units. The number of bedrooms vary per Residential Unit. Some Residential Units will have family rooms.

Room	Floor	Baseboard	Wall	Ceiling
Foyer/Gallery	Stone	Stone and painted wood	Painted wood panels and gypsum wall board	Painted gypsum wall board
Hallways	Wood strip	Painted wood	Painted gypsum wall board and moldings	Painted gypsum wall board
Kitchen	Wood strip	Painted wood	Painted gypsum wall board	Painted gypsum wall board
Living Room	Wood strip	Painted wood	Painted gypsum wall board and moldings	Painted gypsum wall board

Dining Room	Wood strip	Painted wood	Painted gypsum wall board and moldings	Painted gypsum wall board
Powder Rm Vestibule	Stone	Painted wood	Painted gypsum wall board	Painted gypsum wall board
Laundry Room	Tile	Tile	Painted gypsum wall board	Painted gypsum wall board
Powder Room	Stone	Stone	Painted gypsum wall board and stone paneling	Painted gypsum wall board
Master Bathroom	Stone	Stone	Stone paneling	Painted gypsum wall board
Master Bedroom Suite	Wood strip	Painted wood	Painted gypsum wall board	Painted gypsum wall board
Family Room	Wood strip	Painted wood	Painted gypsum wall board	Painted gypsum wall board
Bedroom #2	Wood strip	Painted wood	Painted gypsum wall board	Painted gypsum wall board
Bathroom #2	Stone	Stone	Painted gypsum wall board and stone paneling	Painted gypsum wall board
Bedroom #3	Wood strip	Painted wood	Painted gypsum wall board	Painted gypsum wall board
Bathroom#3	Stone	Stone	Painted gypsum wall board and Stone paneling	Painted gypsum wall board
Storage Rooms	Wood strip	Painted wood	Painted gypsum wall board	Painted gypsum wall board

(2) Typical Residential Unit Bathroom Fixture Schedule: Note that all fixtures to be equivalent or better to those listed below. Fixtures are typical types for bathrooms and do not apply to every Residential Unit and bathroom. Refer to project construction documents for specific fixture assignment for each Residential Unit and bathroom.

Master Bathrooms

Fixture	Manufacturer	Model Number	Material
Vanity Sink	Kallista	"Original" by Barbara Barry	China – Stucco White
Lavatory Faucet	Dornbracht	"Lulu" Series	PolishedPlatinum
Bathtub	Kohler	Tea-for-Two Undermount	White
Bathtub Faucet	Dornbracht	"Lulu" Series	Polished Platinum
Shower Valve	Dornbracht	"Lulu" Series	Polished Platinum
Toilet	Toto	Carlyle II	01 Cotton
Shower Controls	Dornbracht	"Lulu" Series	Polished Platinum
Towel Warmer	Amba	Sirio	Polished stainless steel

Bathrooms – Secondary			
Fixture	**Manufacturer**	**Model Number**	**Material**
Vanity Sink	Kohler	Kathryn	China - White
Lavatory Faucet	Dornbracht	"Gentle" Series	Polished Chrome
Bathtub	Kohler	Tea-for-Two Undermount	01-Cotton
Shower Head	Dornbracht	"Selv"	Polished Chrome
Shower Valve	Dornbracht	"Gentle"	Polished Chrome
Toilet	Toto	Carlyle II	White
Volume Control	Dornbracht	"Gentle"	Polished Chrome
Hand shower	Dornbracht	"Gentle"	Polished Chrome

Powder Rooms			
Fixture	**Manufacturer**	**Model Number**	**Material**
Vanity Sink	Kohler	Kathryn	White

Lavatory Faucet	Kallista	"Jeton"	Nickel Silver
Toilet	Toto	Carlyle II	01-Cotton

Kitchens			
Fixture	**Manufacturer**	**Model Number**	**Material**
Sink	Blanco	Precision Double Sink 516213	Stainless Steel
Faucet & Side Spray	Dornbracht	Tara Classic	Polished Platinum
Hot/Cold Dispenser	Dornbracht	Tara Classic with tank by InSinkerator mode. SST-FLTR	Polished Platinum

(3) Residential Unit Kitchen Appliance and Laundry Schedule:

- Note that all appliances to be equivalent or better to those listed below. Fixtures will be typical types for kitchens and do not apply to every Residential Unit. Refer to project construction documents for specific fixture assignment for each Residential Unit.
- Trim kit required if speed oven will be located above or below an appliance of a different dimension.
- ..

Appliance	**Manufacturer**	**Model Number**	
30" Wall Oven	Wolf	DO30-2U/S	
36" Gas Cooktop	Wolf	SRT366	
48" Gas Cooktop	Wolf	SRT486C	In Units TH & PH-2
24" Dishwasher	Miele	G5975 SCVi	
36" Fridge	Sub-Zero	BI-36R	
36" Freezer	Sub-Zero	BI-36F	
24" Undercounter Drawer Microwave	Wolf	MWD24	
30" Warming Drawer	Wolf	WWD-30	
24" Wine Cooler	Sub-Zero	424G/S/TH	
36" Ventilation Hood	Best	U102 Series w/ ILB11 fan	
48" Ventilation Hood	Best	CP471 482SB	In Units TH & PH-2
Clothes Washer	Whirlpool	TBD	

Clothes Dryer	Whirlpool	TBD	

(y) Safety and Warning Devices:

(1) Hard-wired, 120volt, combination carbon monoxide/smoke alarm devices will be installed in each Residential Unit as required by the Building Code of the City of New York. The standalone devices will be provided with battery back-up.

(2) Upon activation of any sprinkler head, a flow switch will be activated; this signal will be transmitted to the fire alarm control panel in the Engineers office with remote annunciation at the Residential Lobby. The alarm signal will be transmitted to a central reporting station.

(1) An alarm system as required by code for the Commercial Unit will be the responsibility of the Commercial Unit Owner.

(z) Additional Information Required:

(1) A location plan is attached.

(2) Floor plans of each Residential Unit indicating approximate room dimensions and Residential Unit boundaries are attached.

(3) Floor to ceiling heights (All heights are approximate and subject to existing field conditions and are taken from top of finish floor to underside of ceiling above, unless otherwise noted. In addition, at various locations there may be soffits and dropped ceilings that reduce ceiling heights in certain areas, which include but are not limited to bathrooms, hallways, kitchens, storage closets, laundry rooms.):

Subcellar:	+/-10'-3" (top of finish floor to underside of slab) +/-8'-0" at townhouse (floor to underside of beams approx.)
Cellar:	+/- 10'-0" (top of concrete slab to underside of slab), Ceiling heights in unit TH vary
1st Floor:	+/-17'-6" (varies) at Retail Unit (top of slab to underside of slab) Ceiling heights in unit TH vary
2nd Floor:	NA
3rd Floor:	+/-10'-0"(main rooms); Ceiling heights in unit TH vary
4th Floor:	+/-10'-0"(main rooms); Ceiling heights in unit TH vary
5th Floor:	+/-10'-0" (main rooms); Ceiling heights in unit PH-3 vary
6th Floor:	+/-10'-0" (main rooms *); Ceiling heights in unit PH-3 vary
7th Floor:	+/-10'-0" (main rooms *); Ceiling heights in unit PH-3 vary
8th Floor:	+/-10'-0" (main rooms *)
Roof:	+/-8'-0" approx. (stair/elevator bulkhead)

* Bedroom 3 in PH-1 and Bedrooms 2 & 3 in PH-2 will have ceiling heights less than 10'-0".

Keyplans showing Residential Unit boundaries and the relationship of Residential Units to each other is attached.

(aa) Asbestos:

Refer to attached ACP-21 Forms included in the Offering Plan. We have no knowledge of any asbestos containing materials being on site.

(bb) Lead-based Paint:

Sponsor has no records, reports, notices of violation or any other available information concerning the presence of lead-based paint and/or lead-based paint hazards at the premises other than the draft report prepared by Lawrence Environmental Group, LLC, dated June 10, 2013, a copy of which is attached hereto. With respect to those building components identified in such report as having lead based paint and/or representing a lead-based paint hazard at the premises, Sponsor's renovation/construction work includes the abatement and/or removal of all such surfaces prior to the First Unit Closing. Therefore, Sponsor anticipates that no lead based paint and/or lead-based paint hazard will be present at the Building prior to the First Unit Closing.

(cc) Special Risk Factors:

The owners of Residential Units with roof terraces shall not install or permit any item or improvement upon the roof which exceeds a maximum 60 pounds/sq. foot load at Unit TH and Unit PH3 and 150 pounds/sq.ft at remaining Residential Unit terraces and must be planted in water-proof containers so as not to cause water leakage. Should any desired improvements exceed this maximum load, it will be the Residential Unit Owner's responsibility to have a professional structural engineer design additional support to increase the load-bearing capacity of the desired level provided that the Board of Managers first approves a request by the Residential Unit Owner for such heavy loads. All Terraces and Yards must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The Residential Unit Owner shall not remove any of the above items by putting them over the terrace or yard walls or railing, but shall remove said items either through the Residential Unit or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any terrace or yard wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any terrace or yard; any appropriate furniture including tables, chair cushions and umbrellas may be left on the terraces or yard only if properly secured. No items can be placed on the terrace or yard parapet wall and/or railing. In no event shall any Residential Unit Owner be permitted to enclose any terrace or yard (except to the extent that such terrace or yard was enclosed by Sponsor) or erect any structure on any terrace or yard. No portion of any terrace or yard may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any terrace or yard. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed

on any terrace or yard. No unattended animals, which include but are not limited to dogs, cats, or birds, are allowed on any terrace or yard.

(dd) Energy Conservation Construction Code of New York State:

The Building is capable of meeting the intent of the 2008 NYS ECCC.

(ee) Documents to be transferred to the condominium management:

The following documents shall be transferred to the condominium management upon transfer : Operation & Maintenance (O&M) manuals for mechanical equipment; electronic system manual; re-commissioning manual (if applicable); equipment warranties; roof warranty; major equipment start-up sheets; control system as-built; original test and balance report for HVAC; in-door air quality report. Final as-built drawings as maintained during construction, i.e.-structural, mechanical, electrical, plumbing, shop drawings.

To our knowledge and belief, no drywall materials containing 'sulfide' shall be incorporated into this project.

The Architect of Record has not been retained by the sponsor to perform any controlled inspection or commissioning agent services for this project.



Signed:

Richard J. Metsky, AIA, Partner
Beyer Blinder Belle Architects & Planners, LLP

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2381MN12

Premise Address 33 East 74th Street Borough Manhattan Zip 10021

DEP Asbestos Control Program is in receipt of the following document (s)

[x] Project Monitor's Report

[ ] A-TR1 form filed by Registered Design Professional

Based on the above submitted documentation the Depadment is issuing the

[x] Project Completion Form (entire project)

[ ] Project Completion Form (partial project)

(See next page for the list of closed-out location(s) of abatement)

DEP hereby acknowledges that it has received the above documentation required pursuant to section 1-22(b) of the DEP Asbestos Rules (15 RCNY Chapter 1) for the completion of this project. Please note that the issuance of this Form is not a certification that the asbestos project was performed in accordance with the DEP Asbestos Rules or that the building is free of asbestos containing material. This Form is issued based on representations contained in documentation submitted by the applicant, or other relevant party.

Date: February 4, 2013

Signature

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2381MN12

Premise Address 33 East 74th Street Borough Manhattan Zip 10021

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
2 to5	North facade	Black caulking Material	60		
		TOTAL ACM	60		

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2380MN12

Premise Address 31 East 74th Street Borough Manhattan Zip 10021

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Date: January 29, 2013

Signature

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2380MN12

Premise Address 31 East 74th Street Borough Manhattan Zip 10021

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
Roof		Roofing&Flashing Material	700		
Roof	south Facade	Black Tar Material	200		
		TOTAL ACM	900		

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2378MN12

Premise Address 939 Madison Ave Borough Manhattan Zip 10021

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Based on the above submitted documentation the Department is issuing the

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Date: January 23, 2013

Signature

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2378MN12

Premise Address 939 Madison Ave Borough Manhattan Zip 10021

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
Roof		Roofing&Flashing Material	3,800		
Roof		Wall Tar	200		
4th floor	East Office Area	Floor tile&Mastic	400		
1 floor	Center Partition Wall	Plaster Wall Coating	200		
1st floor	Retail space	floor tile	800		
2nd floor	Center Partition Wall	Plaster Wall Coating	200		
3rd Floor	Center Partition Wall	Plaster Wall Coating	200		
4th Floor	Center Partition Wall	Plaster Wall Coating	200		
5th Floor	Center Partition Wall	Plaster Wall Coating	200		
		TOTAL ACM	6,200		

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2376MN12

Premise Address 933 Madison Ave Borough Manhattan Zip 10021

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- [ ] A-TR1 form filed by Registered Design Professional

Based on the above submitted documentation the Department is issuing the

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- [x] Project Completion Form (partial project)

(See next page for the list of closed-out location(s) of abatement)

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Date: January 23, 2013

Signature

NYC Environmental Protection

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Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2376MN12

Premise Address 933 Madison Ave Borough Manhattan Zip 10021

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
1st Floor	Center Partition Wall	Plaster Wall Coating	400		
2nd Floor	Center Partition Wall	Plaster Wall Coating	400		
3rd Floor	Center Partition Wall	Plaster Wall Coating	400		
4th Floor	Center Partition Wall	Plaster Wall Coating	400		
5th Floor	Center Partition Wall	Plaster Wall Coating	400		
		TOTAL ACM	2,000		

NYC Environmental Protection

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Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2376MN12

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(See next page for the list of closed-out location(s) of abatement)

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Date: January 23, 2013

Signature

NYC Environmental Protection

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Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2376MN12

Premise Address 933 Madison Ave Borough Manhattan Zip 10021

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
Roof		Roof	3,800		
Roof	Center	Wall Tar	200		
		TOTAL ACM	4,000		

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2377MN12

Premise Address 937 Madison Avenue Borough Manhattan Zip 10021

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Date: January 23, 2013

Signature

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU2377MN12

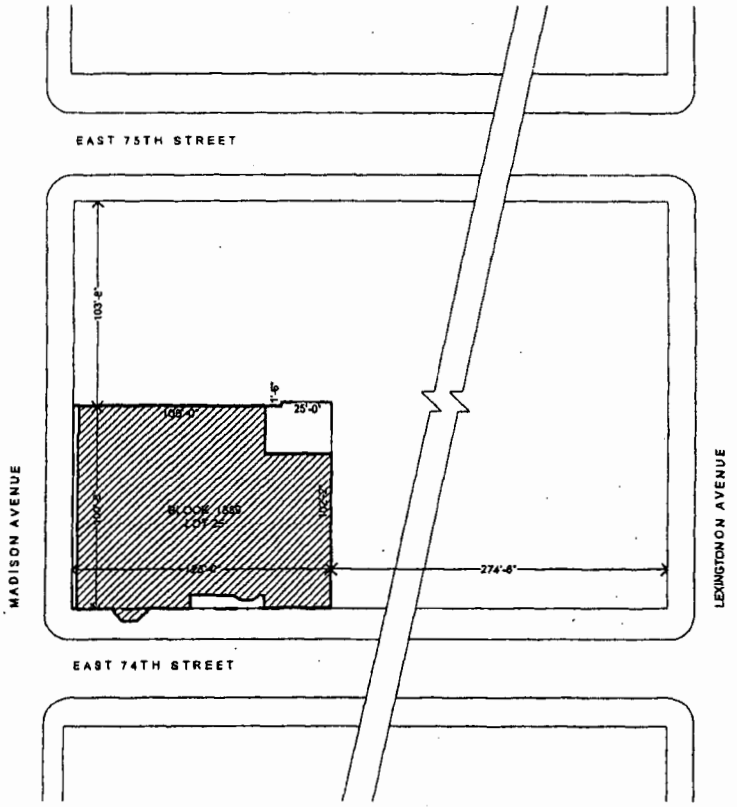
Premise Address 937 Madison Avenue Borough Manhattan Zip 10021

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
Roof		Roofing &Flashing Material	900		
Roof		Wall Tar	60		
		TOTAL ACM	960		

EXHIBIT 5

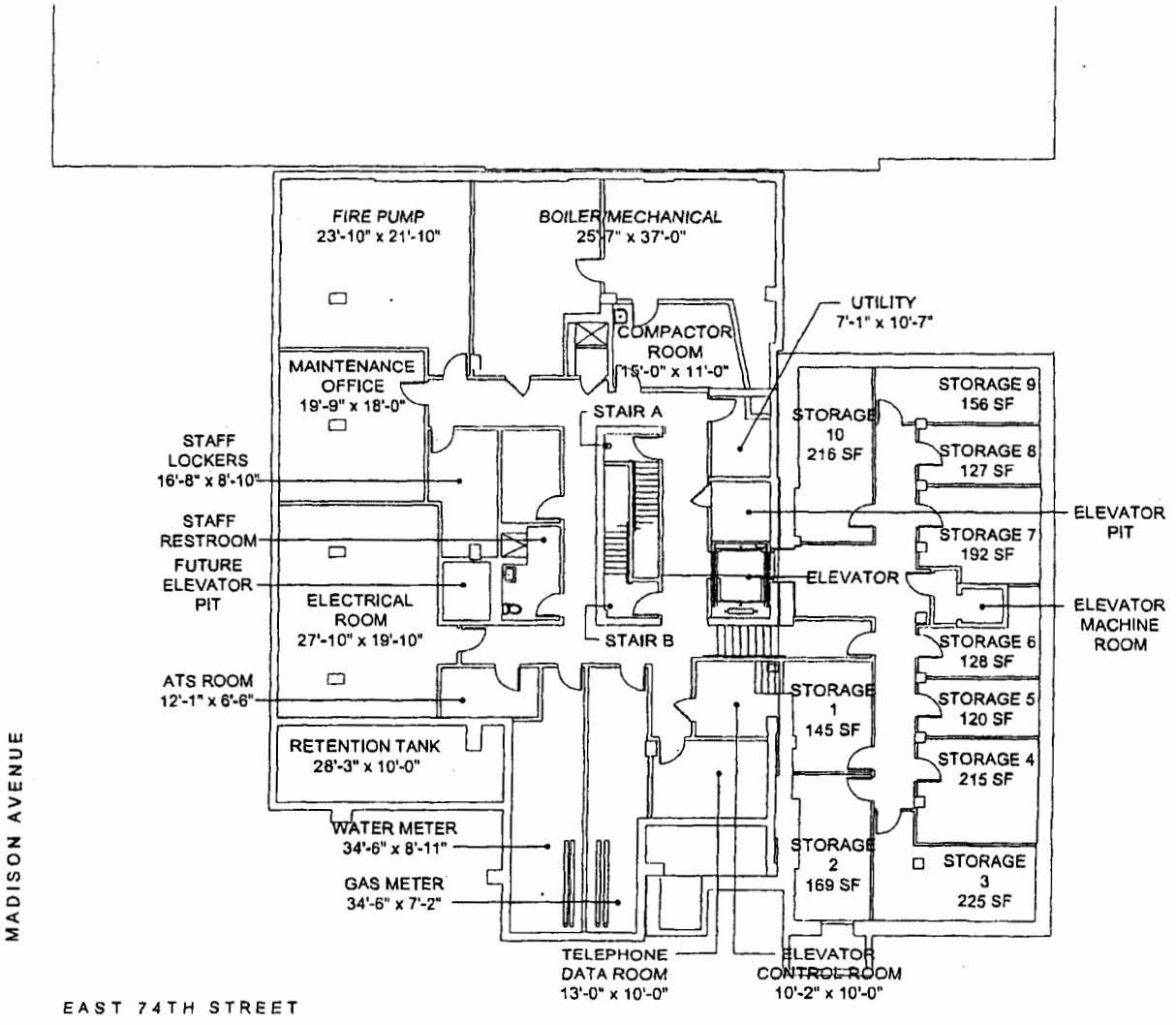
FLOOR PLANS



SITE PLAN

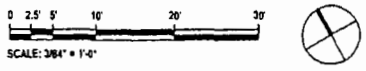
33 EAST 74TH STREET

NOTE:
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR.



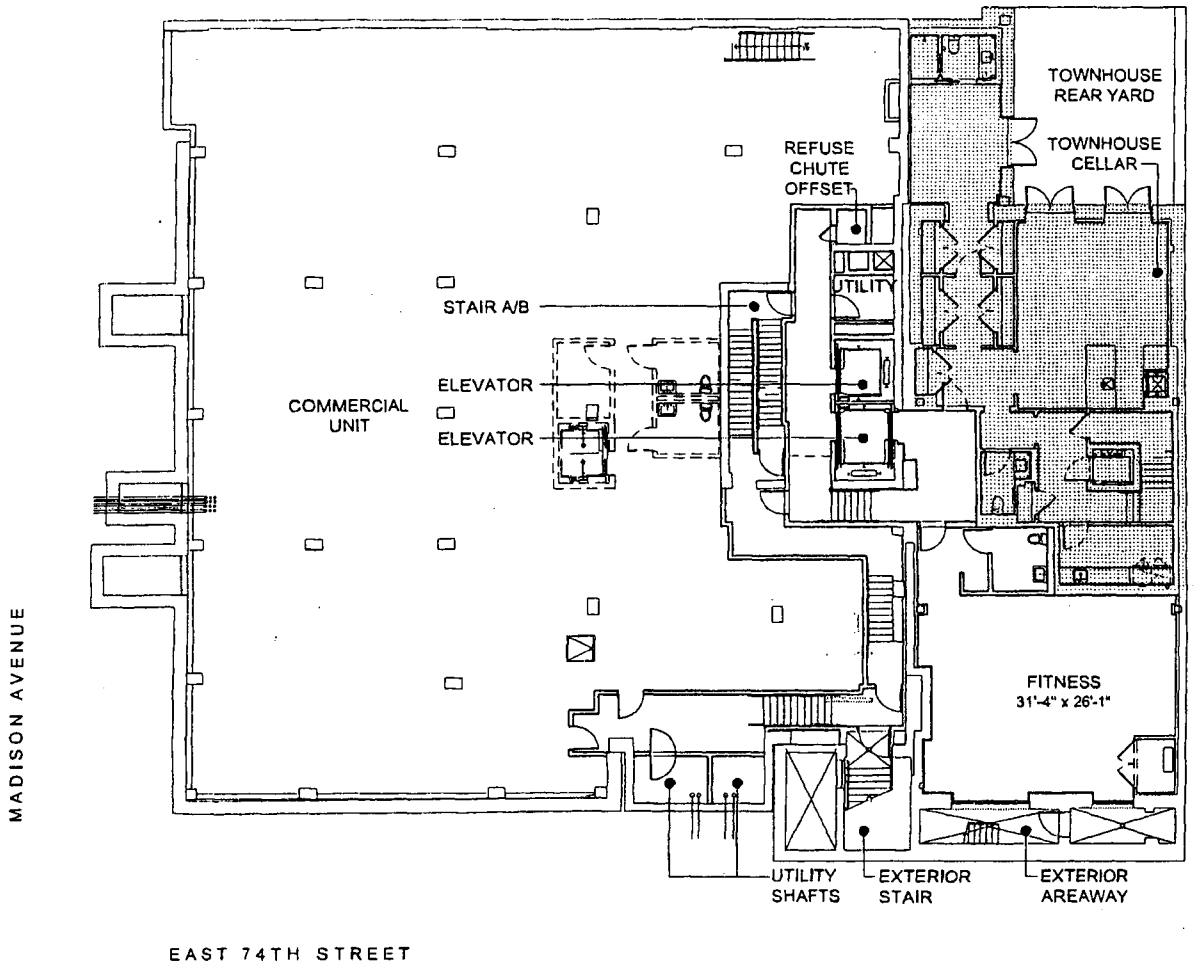
SUBCELLAR

TENANT STORAGE SPACE
STORAGE SPACE SQUARE FOOTAGES ARE TAKEN FROM INSIDE FACE OF FOUNDATION WALL OF 33 EAST 74TH STREET AND CENTERLINE OF PARTITIONS.



33 EAST 74TH STREET

NOTE:
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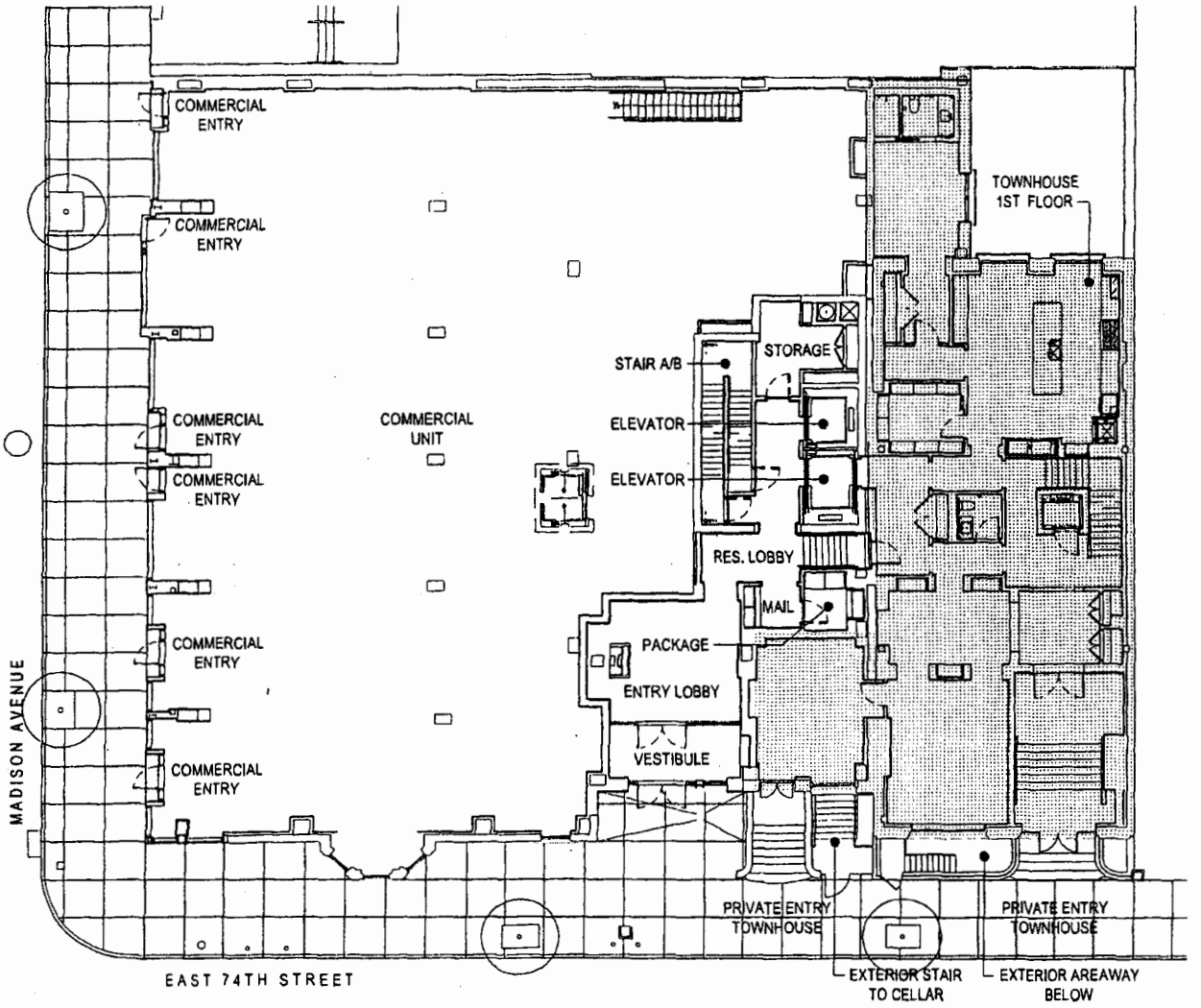


CELLAR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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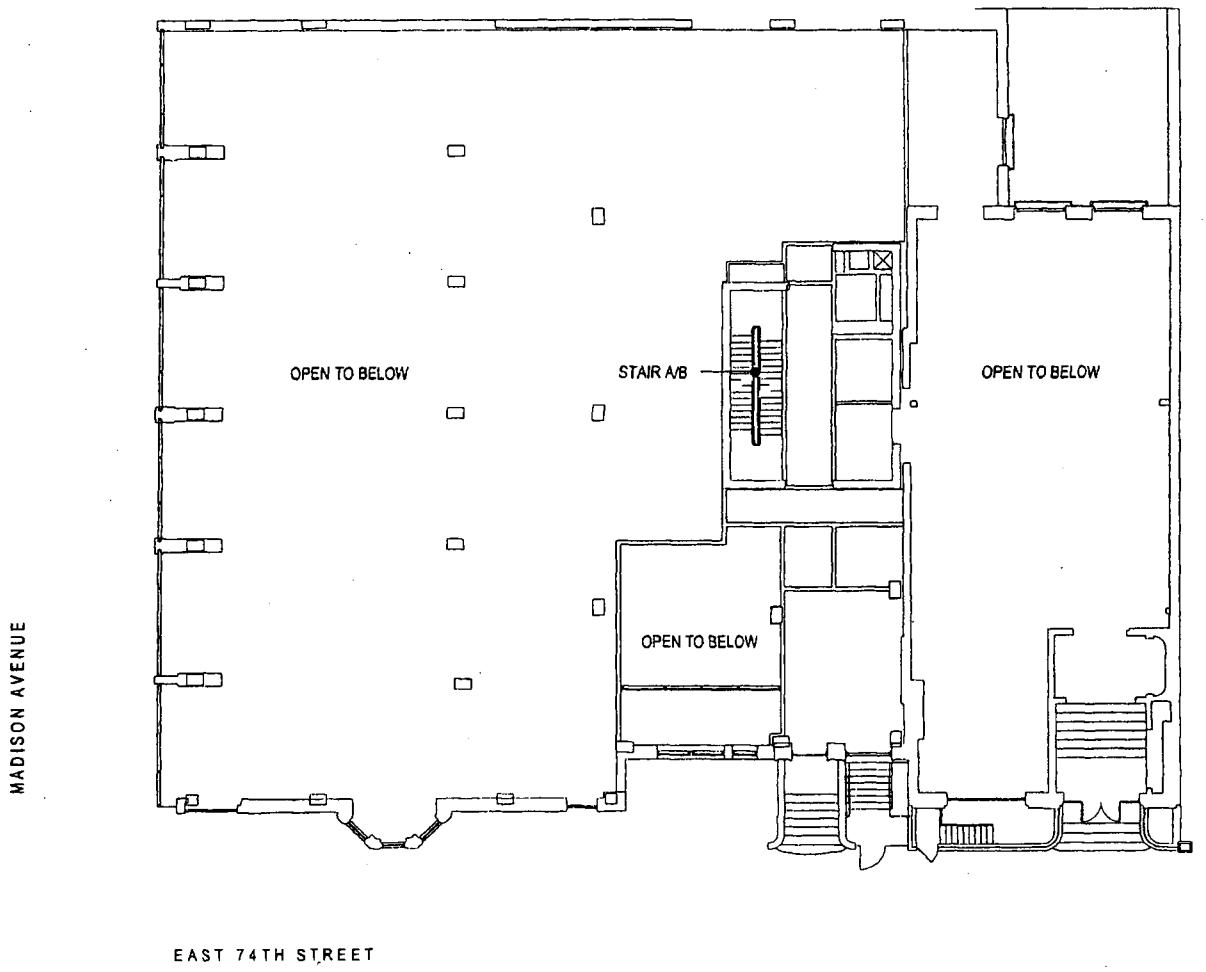
FIRST FLOOR

0 2.5' 5' 10' 20' 30'

SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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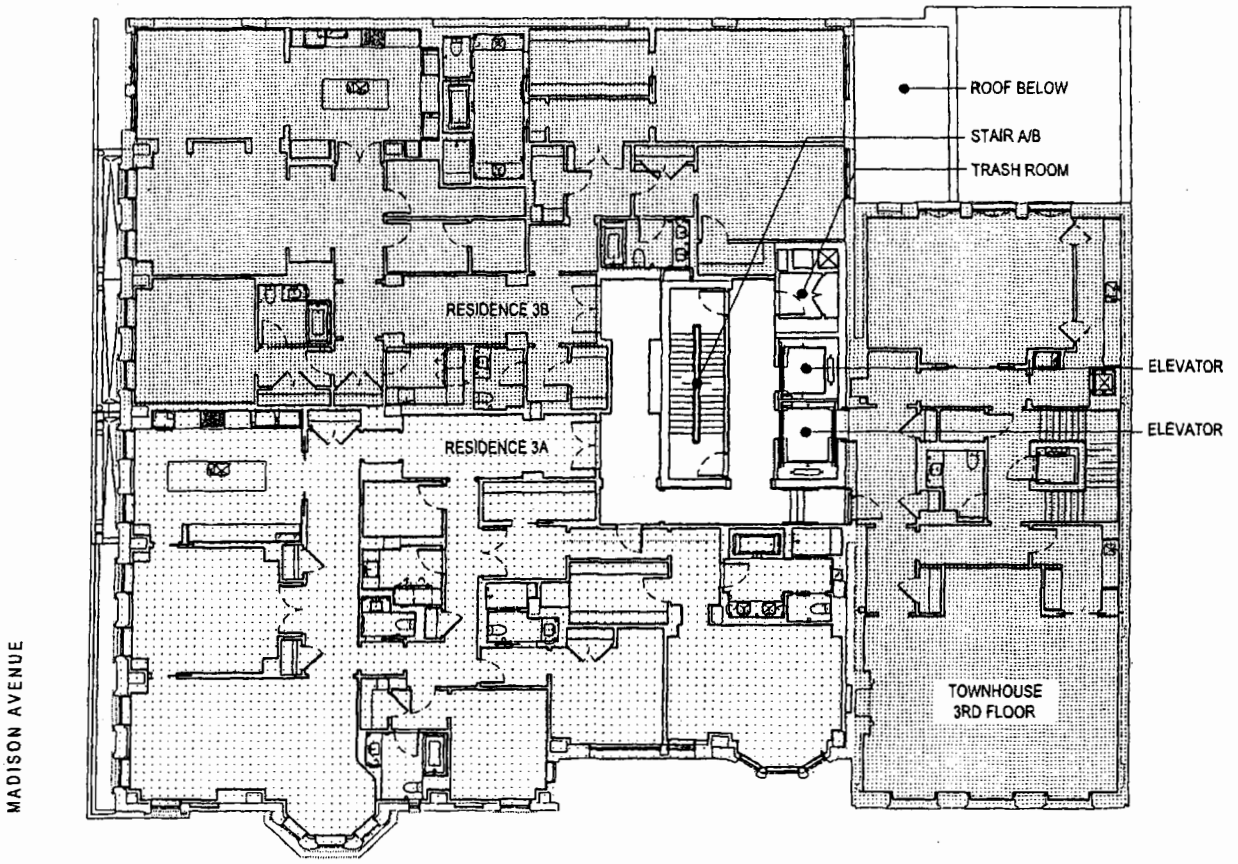


SECOND FLOOR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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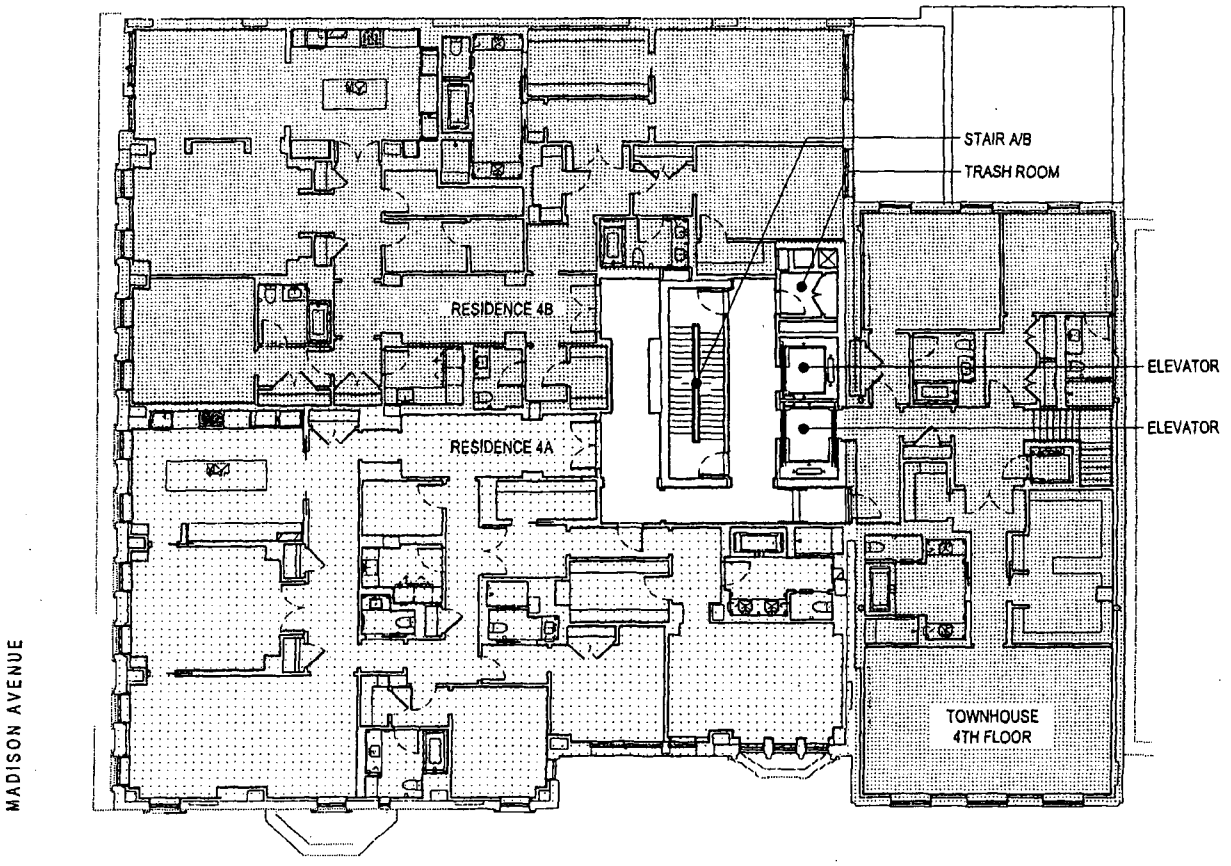


THIRD FLOOR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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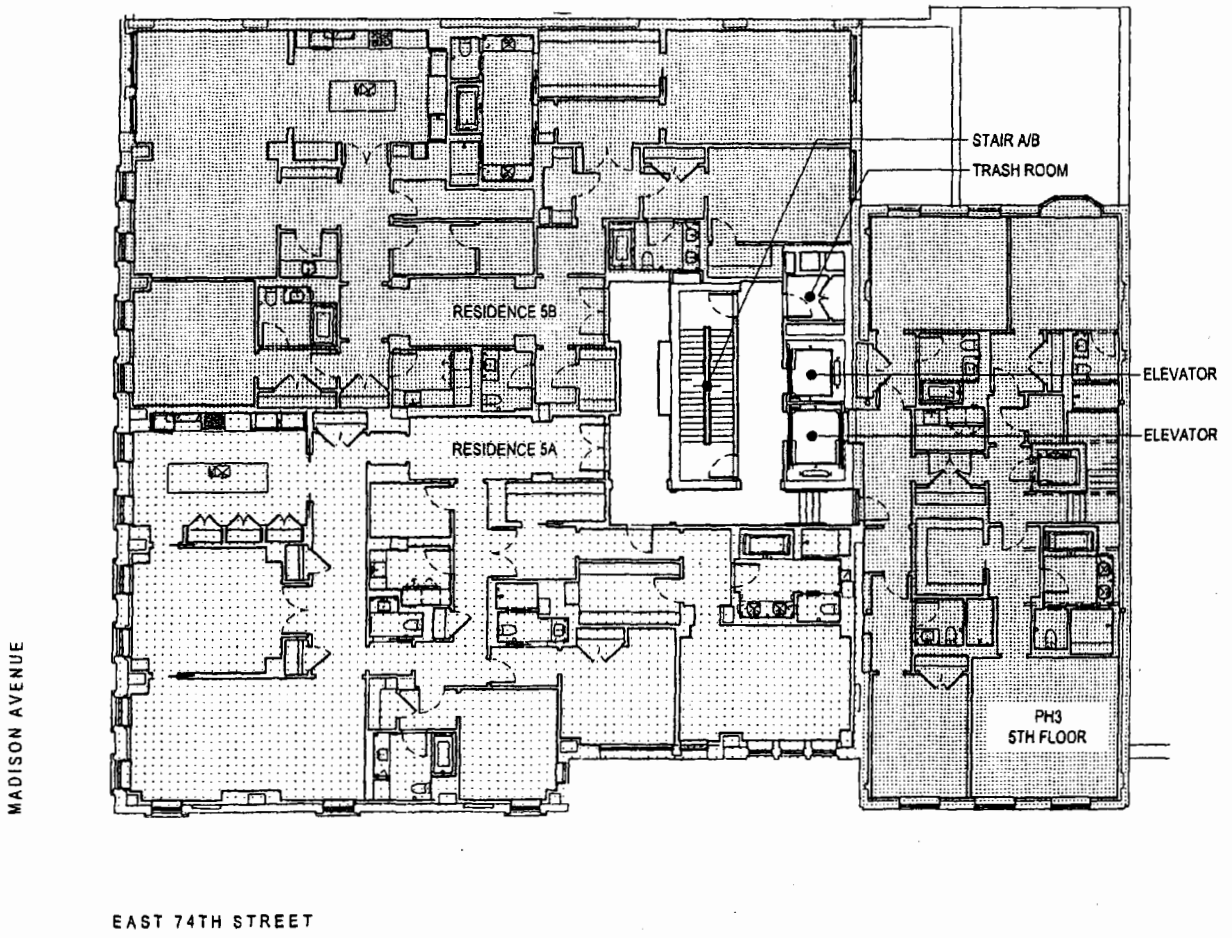


FOURTH FLOOR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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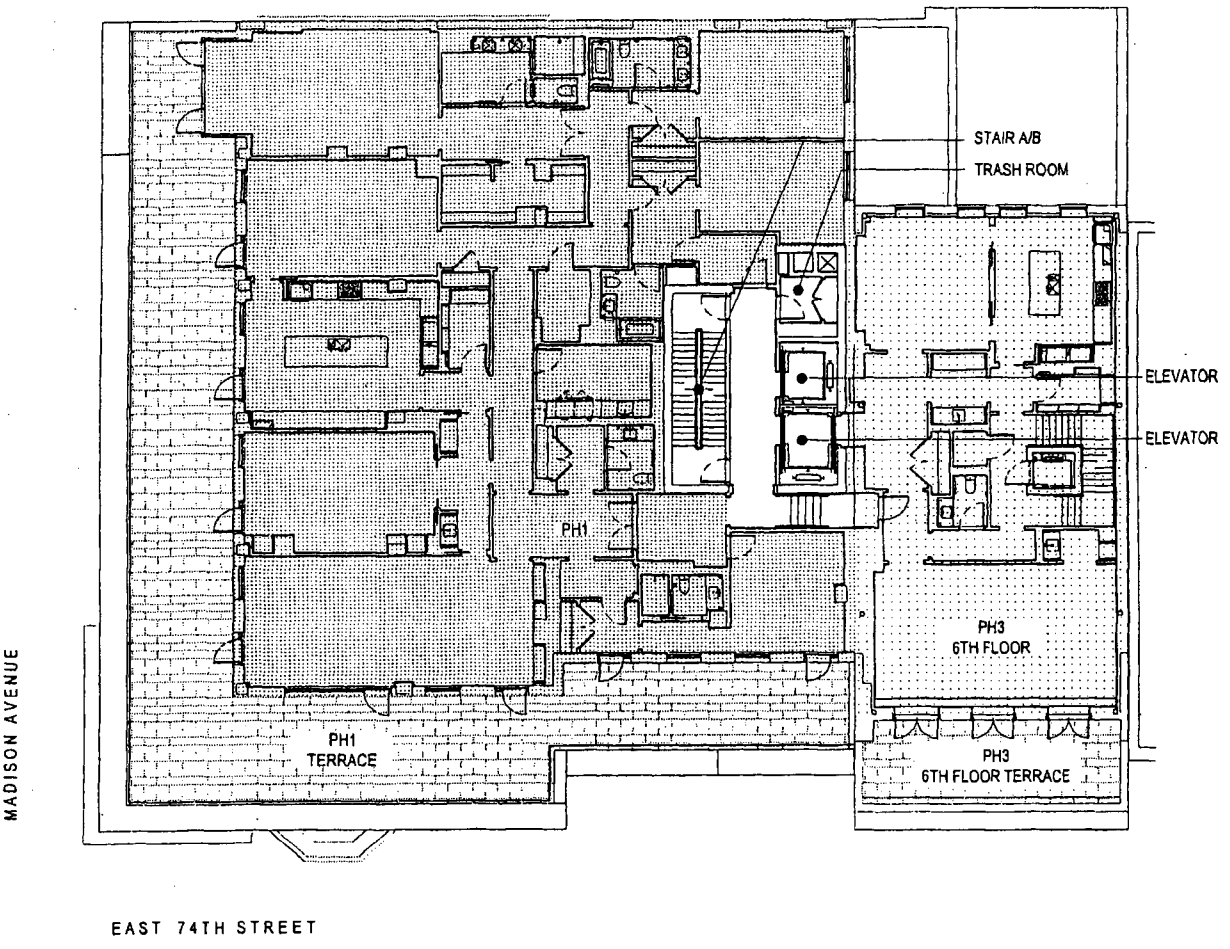


FIFTH FLOOR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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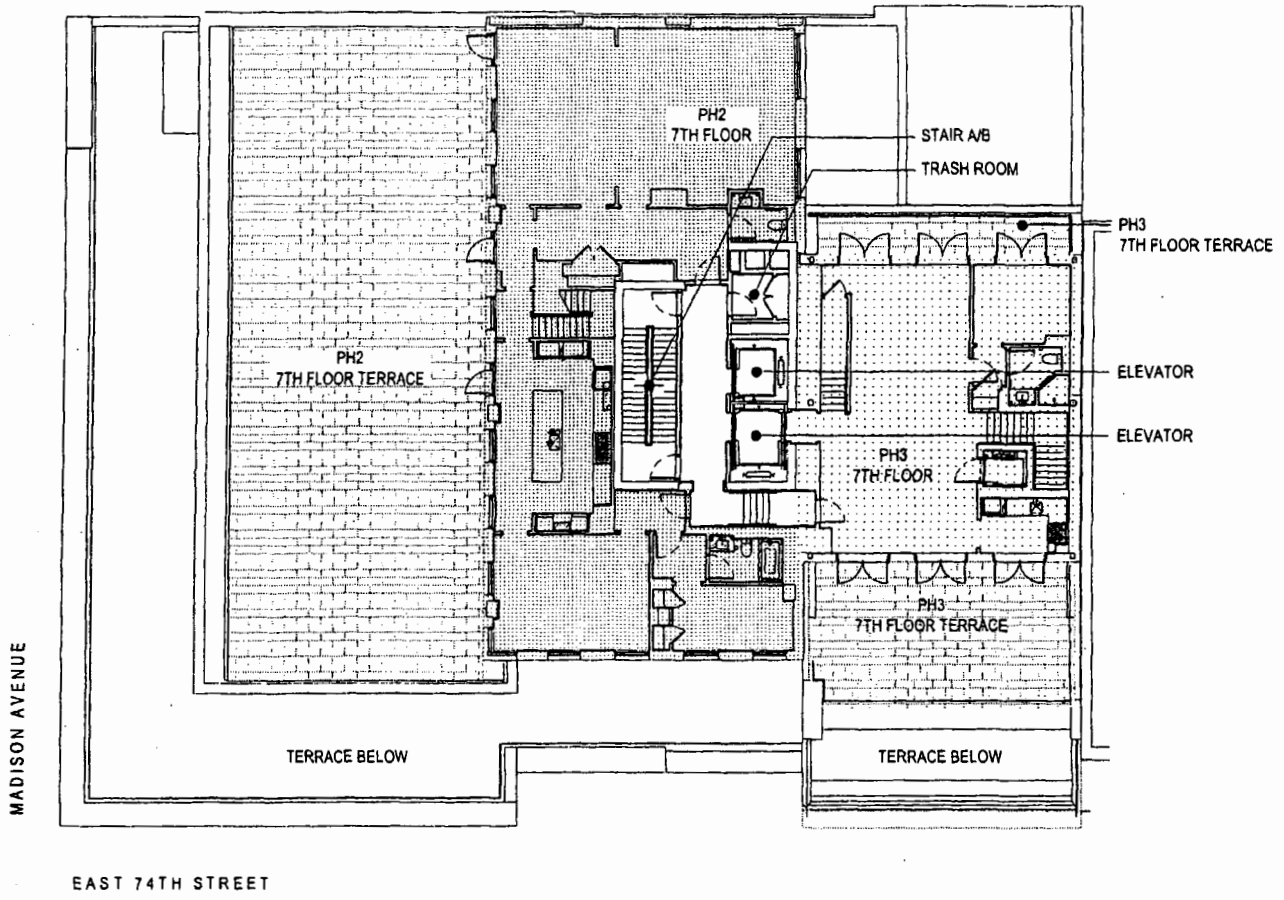


SIXTH FLOOR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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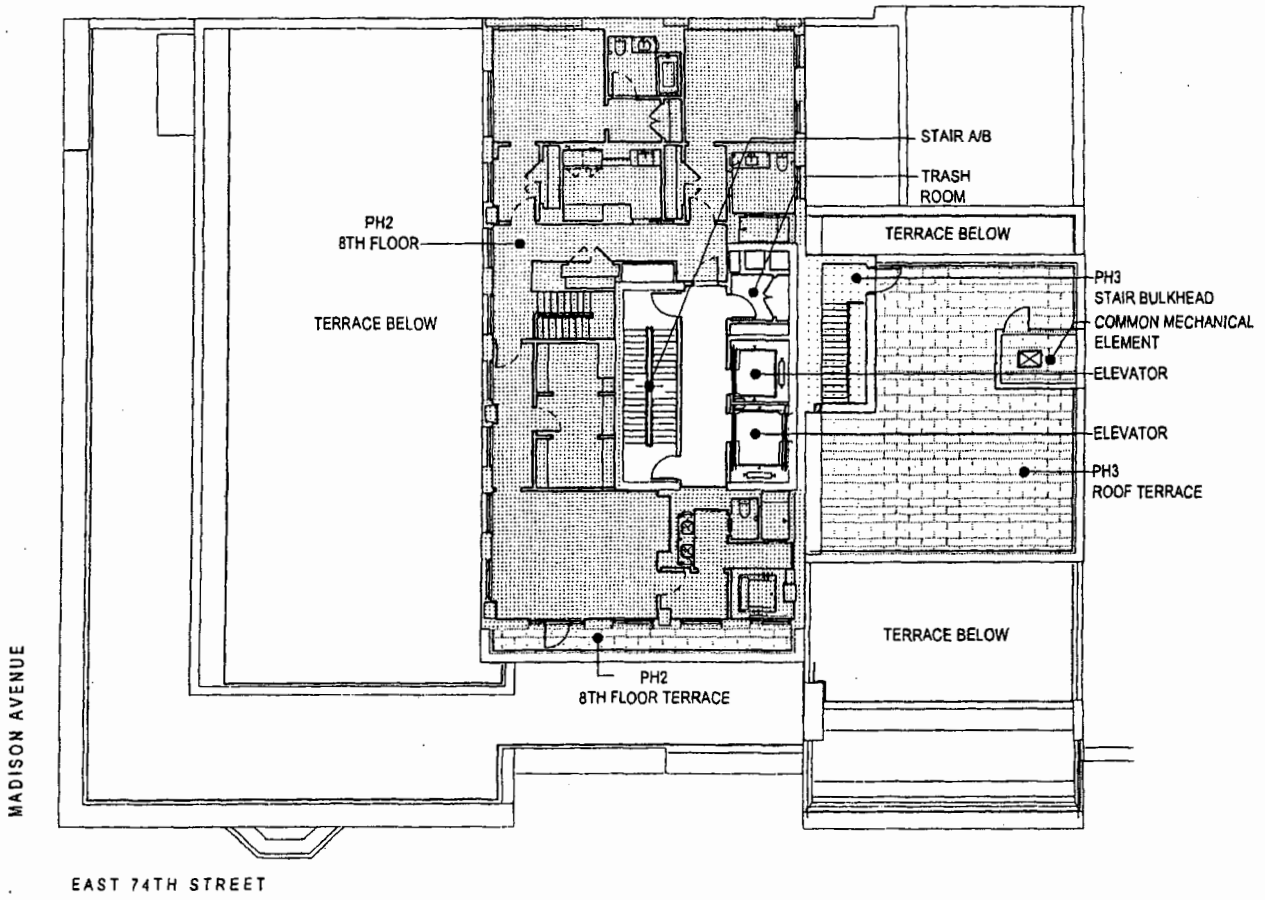


SEVENTH FLOOR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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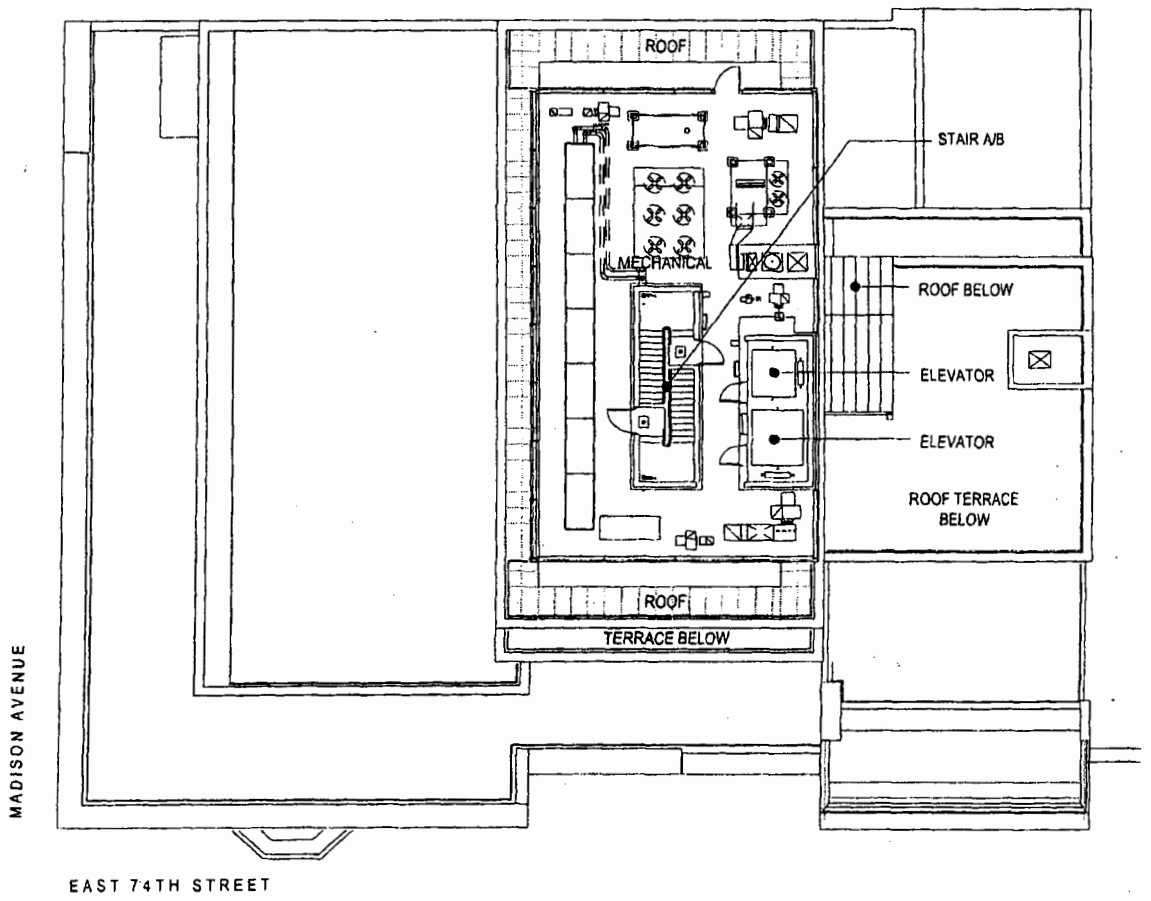


EIGHTH FLOOR

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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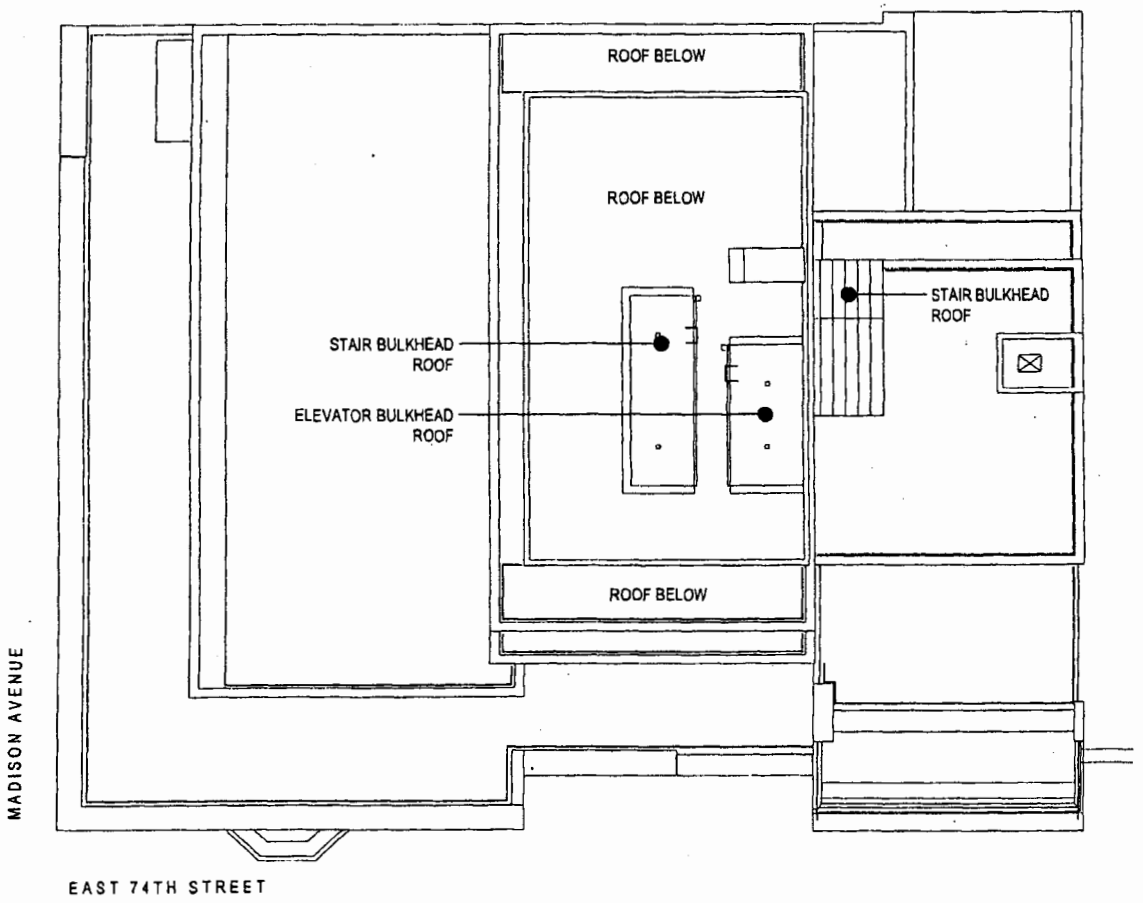


ROOF

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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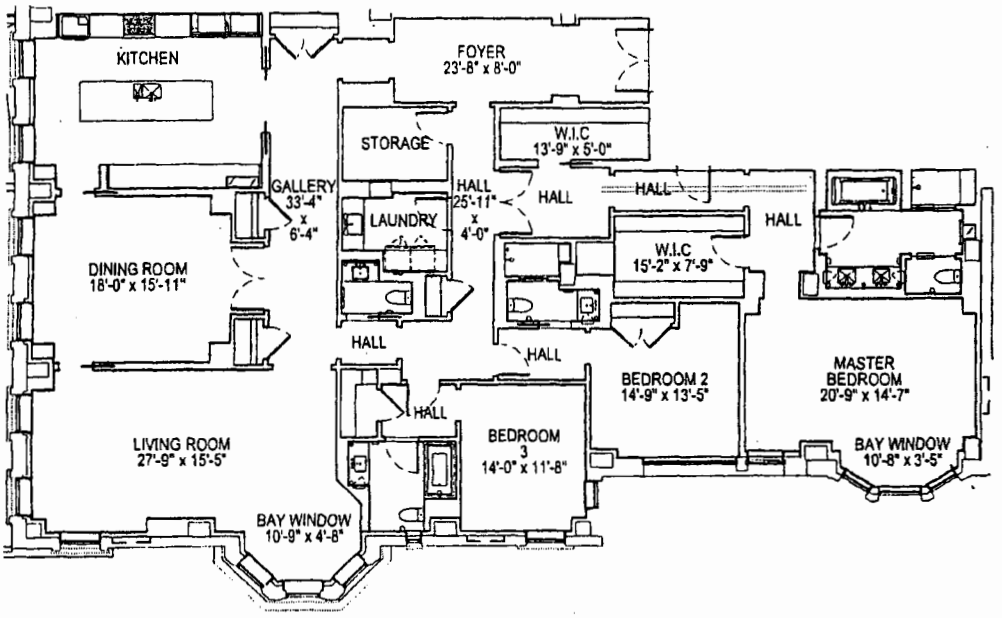


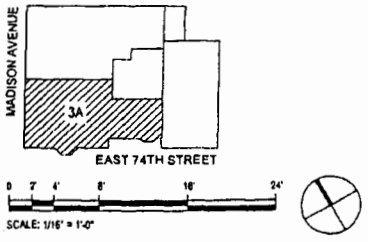
BULKHEAD ROOF PLAN

0 2.5' 5' 10' 20' 30'
SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

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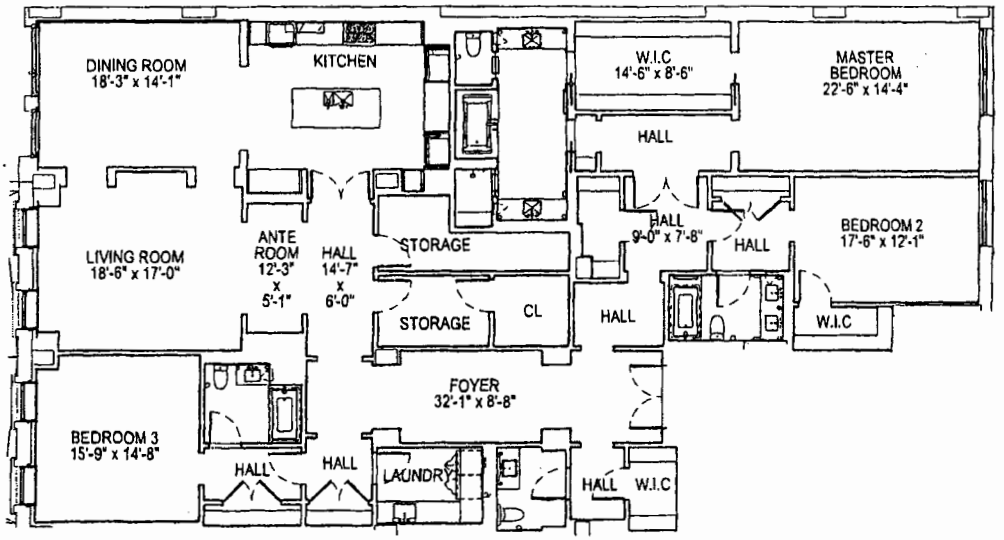
RESIDENCE 3 A

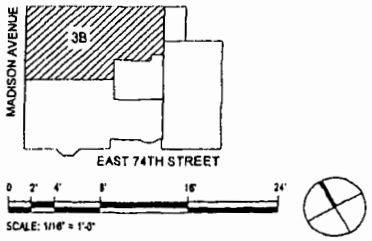
AREA: 3,926 SQUARE FEET

3 BEDROOMS
3 BATHROOMS
POWDER ROOM

33 EAST 74TH STREET

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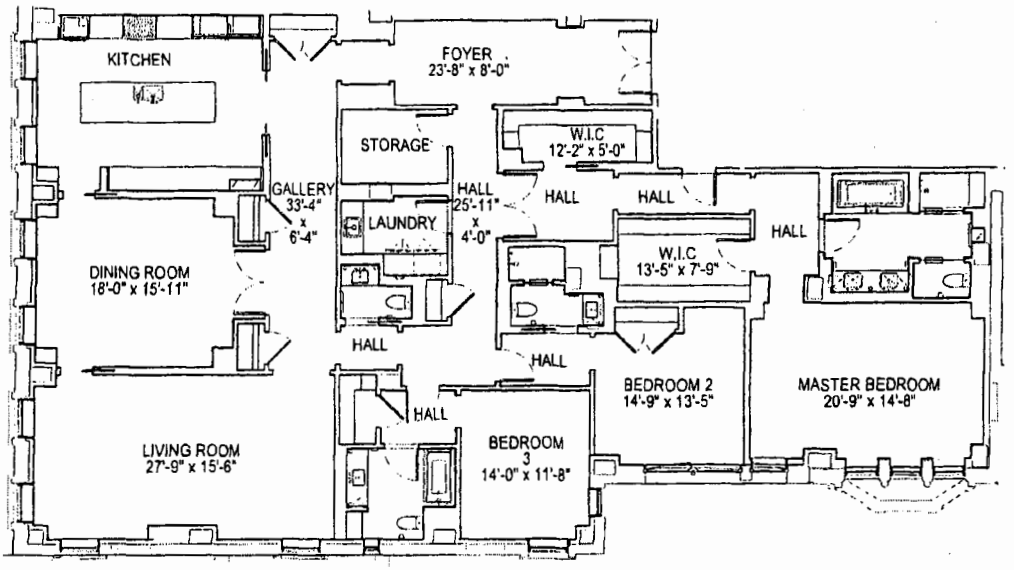
RESIDENCE 3B

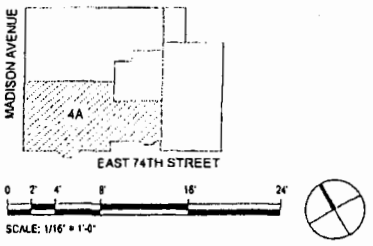
AREA: 3,889 SQUARE FEET

3 BEDROOMS
3 BATHROOMS
POWDER ROOM

33 EAST 74TH STREET

NOTE:
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NORMAL CONSTRUCTION VARIATIONS AND TOLERANCES. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR.



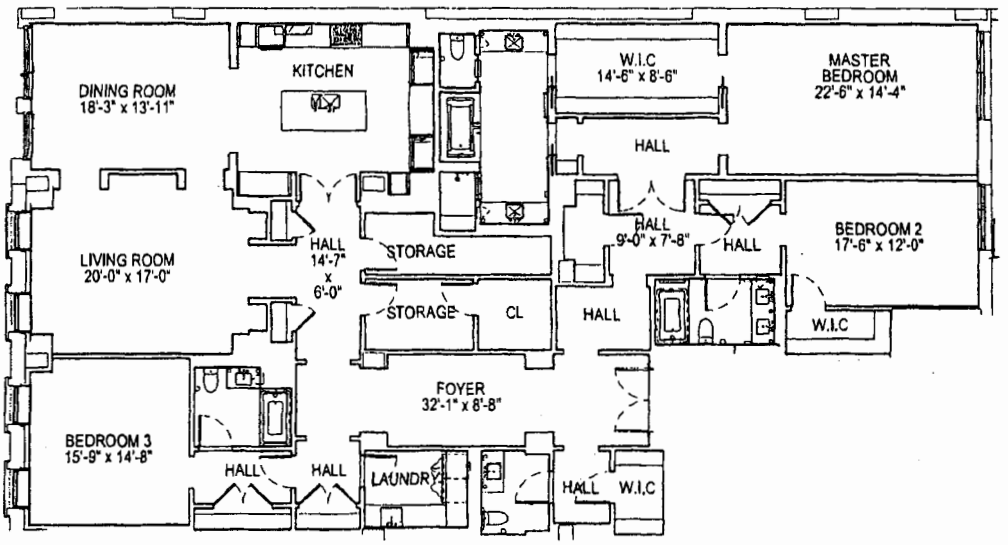


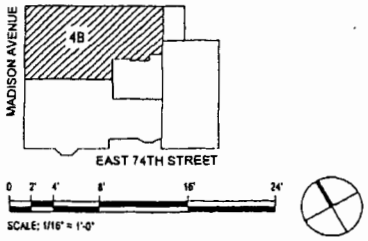
RESIDENCE 4A
AREA: 3,851 SQUARE FEET

3 BEDROOMS
3 BATHROOMS
POWDER ROOM

33 EAST 74TH STREET

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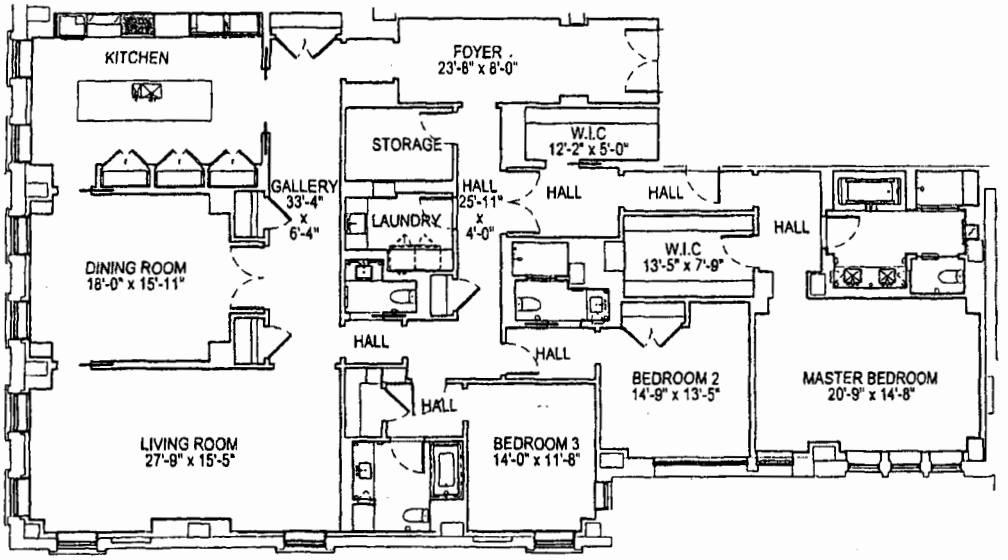


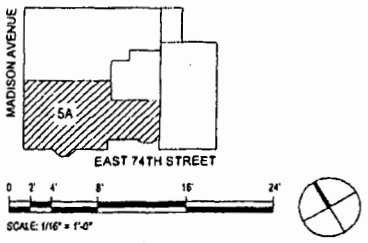
RESIDENCE 4B
AREA: 3,889 SQUARE FEET

3 BEDROOMS
3 BATHROOMS
POWDER ROOM

33 EAST 74TH STREET

NOTE:
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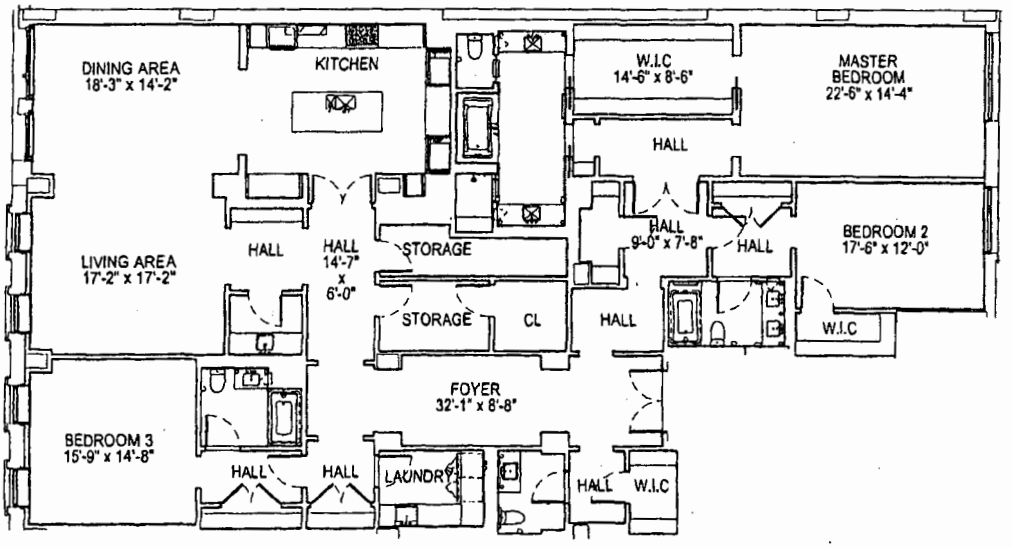
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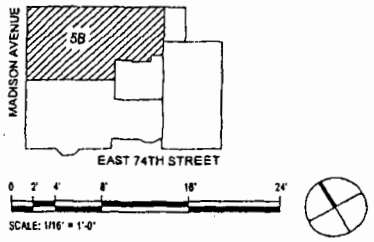
AREA: 3,851 SQUARE FEET

3 BEDROOMS
3 BATHROOMS
POWDER ROOM

33 EAST 74TH STREET

NOTE:
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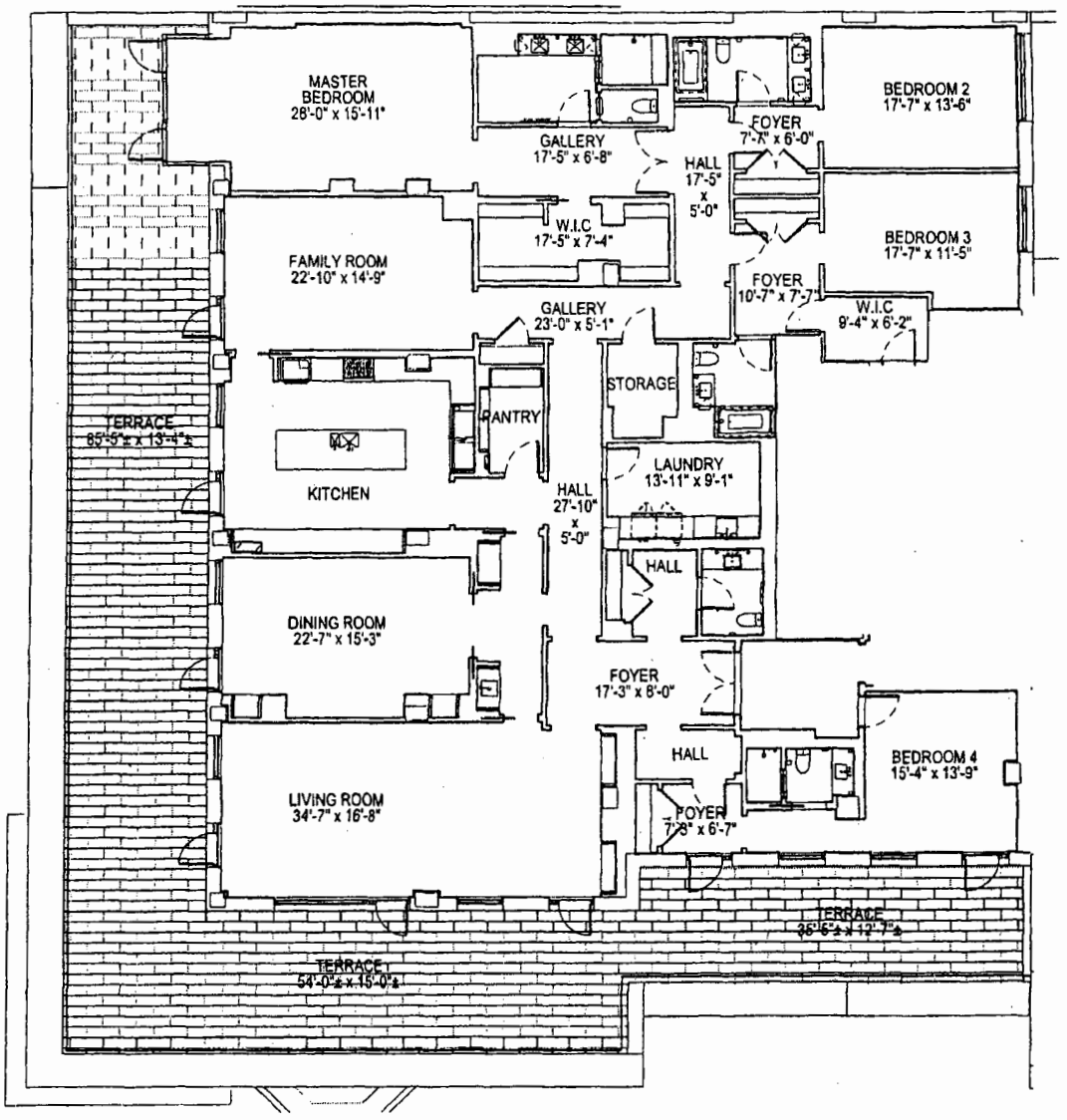
RESIDENCE 5B

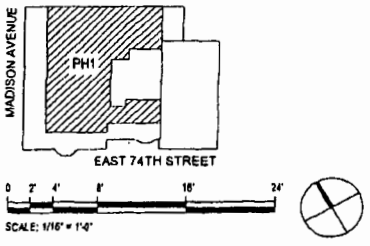
AREA: 3,889 SQUARE FEET

3 BEDROOMS
3 BATHROOMS
POWDER ROOM

33 EAST 74TH STREET

NOTE:
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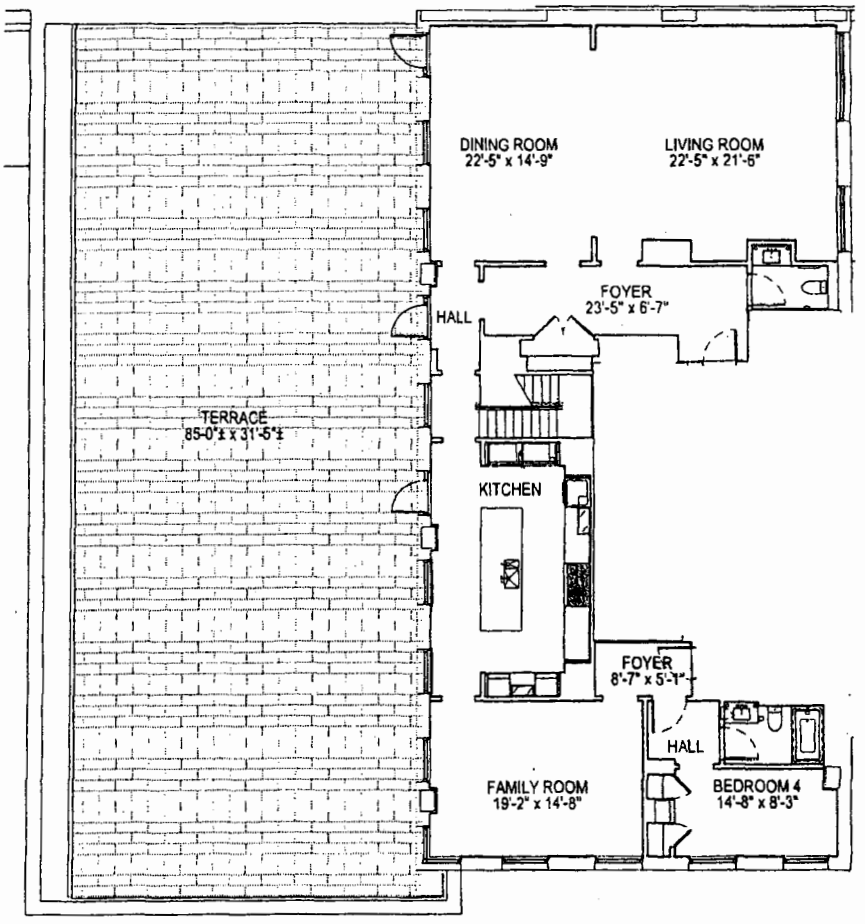
RESIDENCE PH1

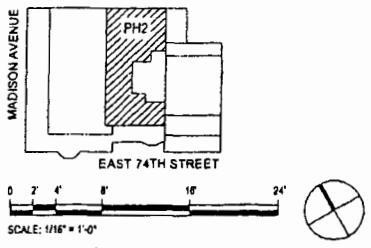
AREA: 5,577 SQUARE FEET
TERRACE AREA: 2,440 SQUARE FEET

5 BEDROOMS
5 BATHROOMS
POWDER ROOM

33 EAST 74TH STREET

NOTE:
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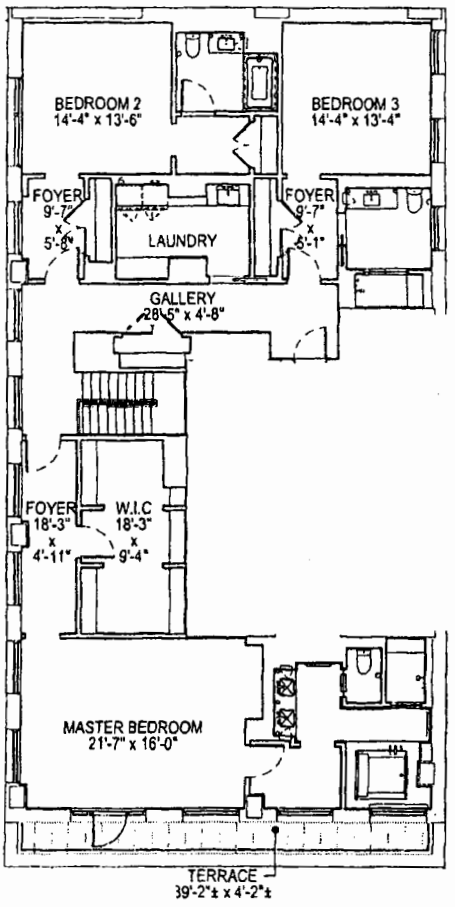
RESIDENCE PH2 -7TH FLOOR

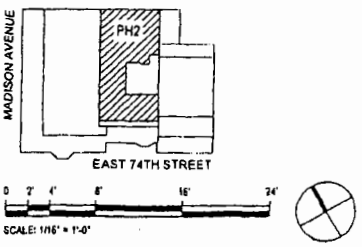
TOTAL AREA: 4,844 SQUARE FEET
AREA ON 7TH FLOOR: 2,461 SQUARE FEET
TOTAL TERRACE AREA: 2,867 SQUARE FEET
TERRACE AREA ON 7TH FLOOR: 2,704 SQUARE FEET

1 BEDROOM
1 BATHROOM
POWDER ROOM

33 EAST 74TH STREET

NOTE:
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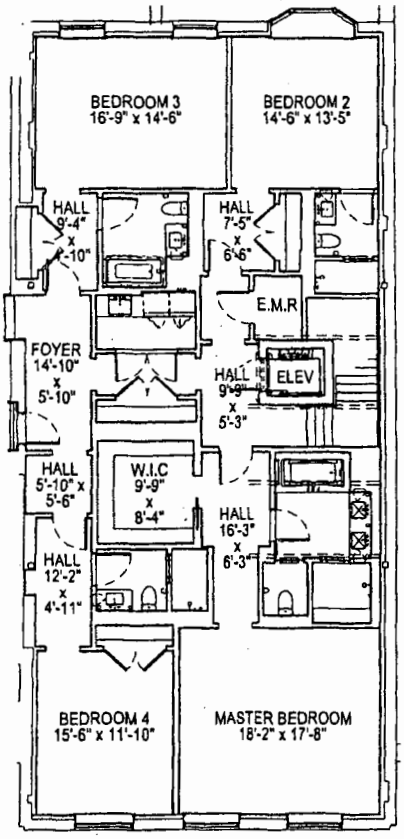
RESIDENCE PH2 - 8TH FLOOR

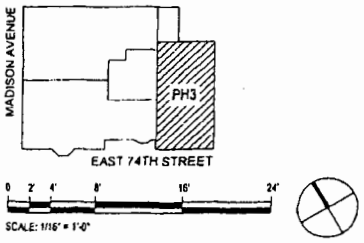
TOTAL AREA: 4,844 SQUARE FEET
AREA ON 8TH FLOOR: 2,383 SQUARE FEET
TOTAL TERRACE AREA: 2,867 SQUARE FEET
TERRACE AREA ON 8TH FLOOR: 163 SQUARE FEET

3 BEDROOM
3 BATHROOMS

33 EAST 74TH STREET

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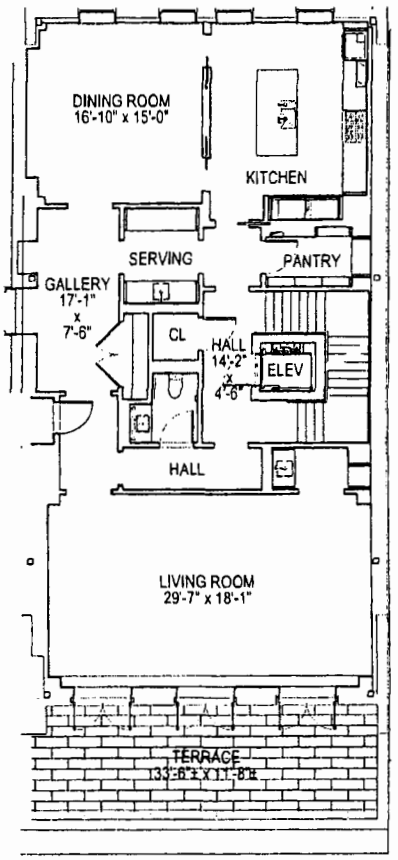
RESIDENCE PH3 - 5TH FLOOR

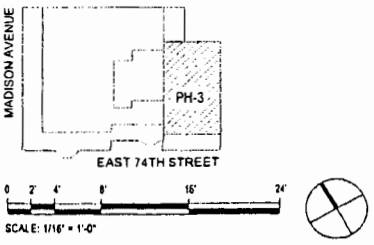
TOTAL AREA: 6,312 SQUARE FEET
AREA ON 5TH FLOOR: 2,605 SQUARE FEET

4 BEDROOMS
4 BATHROOMS

33 EAST 74TH STREET

NOTE:
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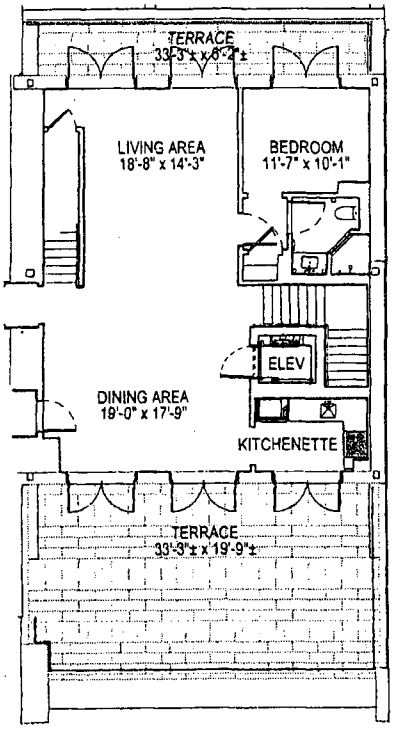
RESIDENCE PH3 - 6TH FLOOR

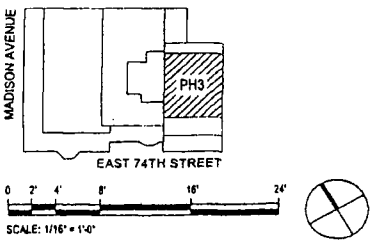
TOTAL AREA: 6,312 SQUARE FEET
AREA ON 6TH FLOOR: 2,200 SQUARE FEET
TOTAL TERRACE AREA: 2,287 SQUARE FEET
TERRACE AREA ON 6TH FLOOR: 380 SQUARE FEET

POWDER ROOM

33 EAST 74TH STREET

NOTE:
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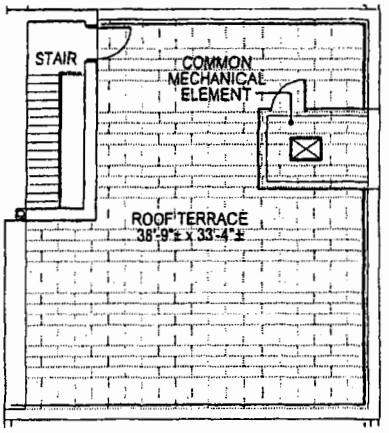
RESIDENCE PH3 - 7TH FLOOR

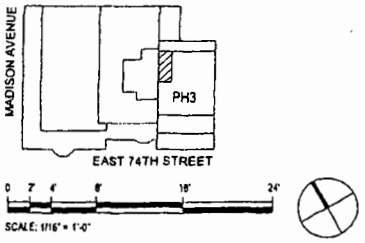
TOTAL AREA: 6,312 SQUARE FEET
AREA ON 7TH FLOOR: 1,342 SQUARE FEET
TOTAL TERRACE AREA: 2,287 SQUARE FEET
TERRACE AREA ON 7TH FLOOR: 862 SQUARE FEET

1 BEDROOM
1 BATHROOM

33 EAST 74TH STREET

NOTE:
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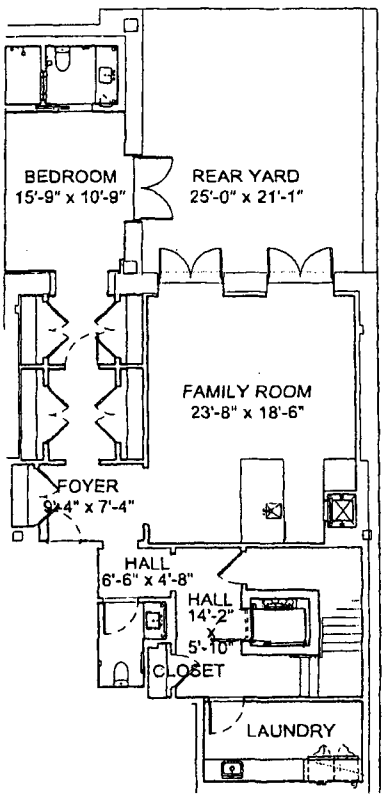


RESIDENCE PH3 - 8TH FLOOR/ROOF

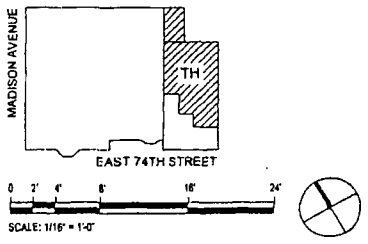
TOTAL AREA: 6,312 SQUARE FEET
AREA ON 8TH FLOOR: 165 SQUARE FEET
TOTAL TERRACE AREA: 2,287 SQUARE FEET
TERRACE AREA ON 8TH FLOOR: 1,045 SQUARE FEET

33 EAST 74TH STREET

NOTE:
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TOWNHOUSE REAR YARD
SQUARE FOOTAGE IS TAKEN FROM THE NORTH FACE OF 33 EAST 74TH STREET, EAST FACE OF PROPOSED BEDROOM 2 , PROPERTY LINE TO THE NORTH AND TO THE PROPERTY LINE TO THE EAST.



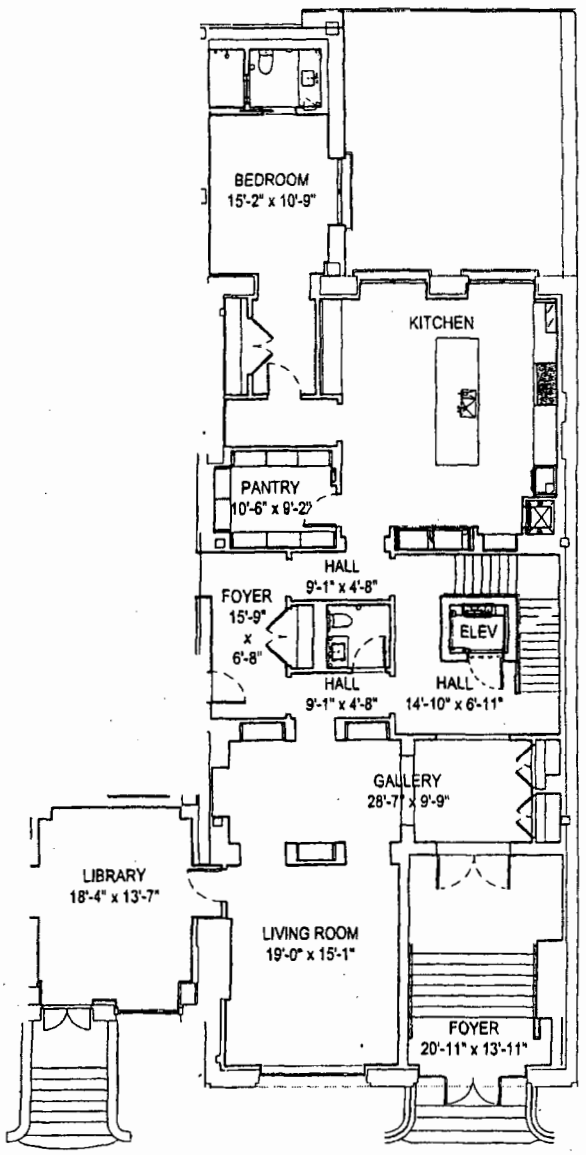
RESIDENCE TH-CELLAR

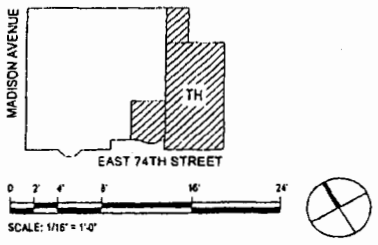
TOTAL AREA: 10,088 SQUARE FEET
AREA ON CELLAR FLOOR: 1,685 SQUARE FEET
AREA OF REAR YARD: 536 SQUARE FEET

1 BEDROOM
1 BATHROOM
POWDER ROOM

33 EAST 74TH STREET

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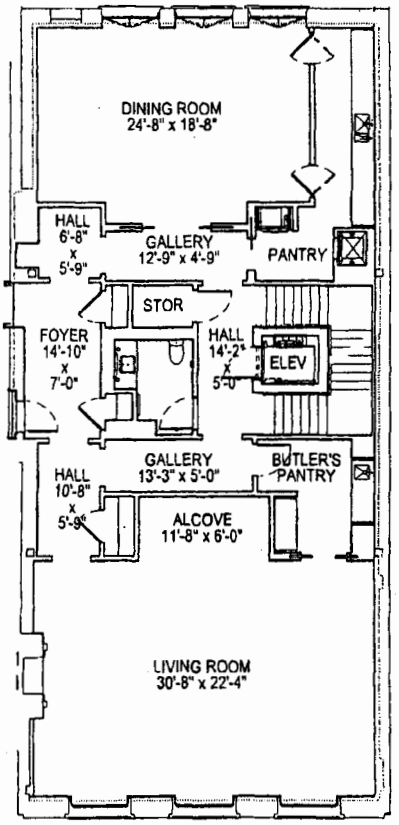
RESIDENCE TH -1ST FLOOR

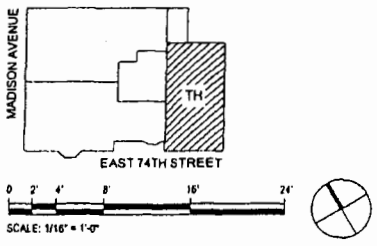
TOTAL AREA: 10,088 SQUARE FEET
AREA ON 1ST FLOOR: 3,209 SQUARE FEET

1 BEDROOM
1 BATHROOM
POWDER ROOM

33 EAST 74TH STREET

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RESIDENCE TH - 3RD FLOOR

TOTAL AREA: 10,088 SQUARE FEET

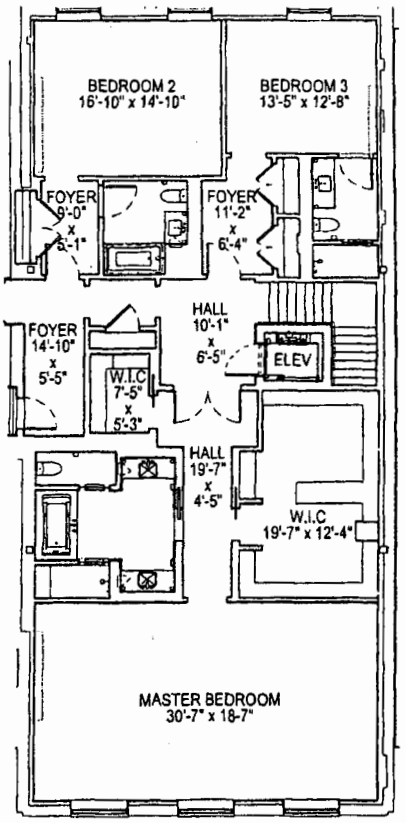
AREA ON 3RD FLOOR: 2,597 SQUARE FEET

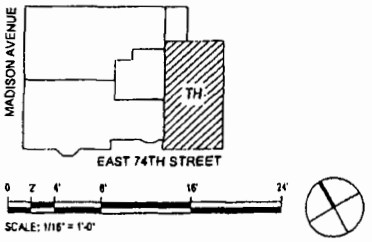
POWDER ROOM

33 EAST 74TH STREET

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RESIDENCE TH - 4TH FLOOR

TOTAL AREA: 10,088 SQUARE FEET

AREA ON 4TH FLOOR: 2,597 SQUARE FEET

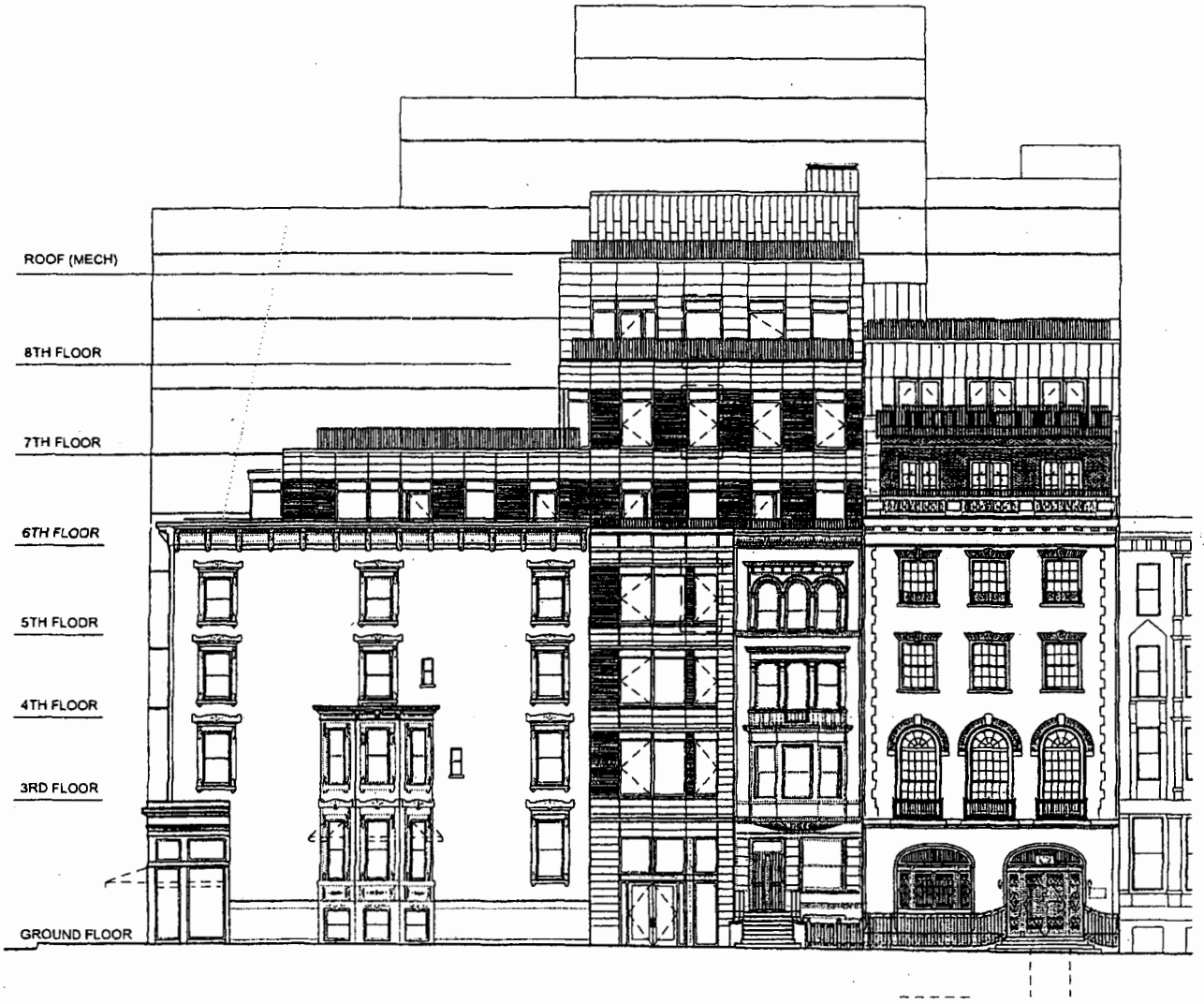
3 BEDROOMS

3 BATHROOMS

33 EAST 74TH STREET

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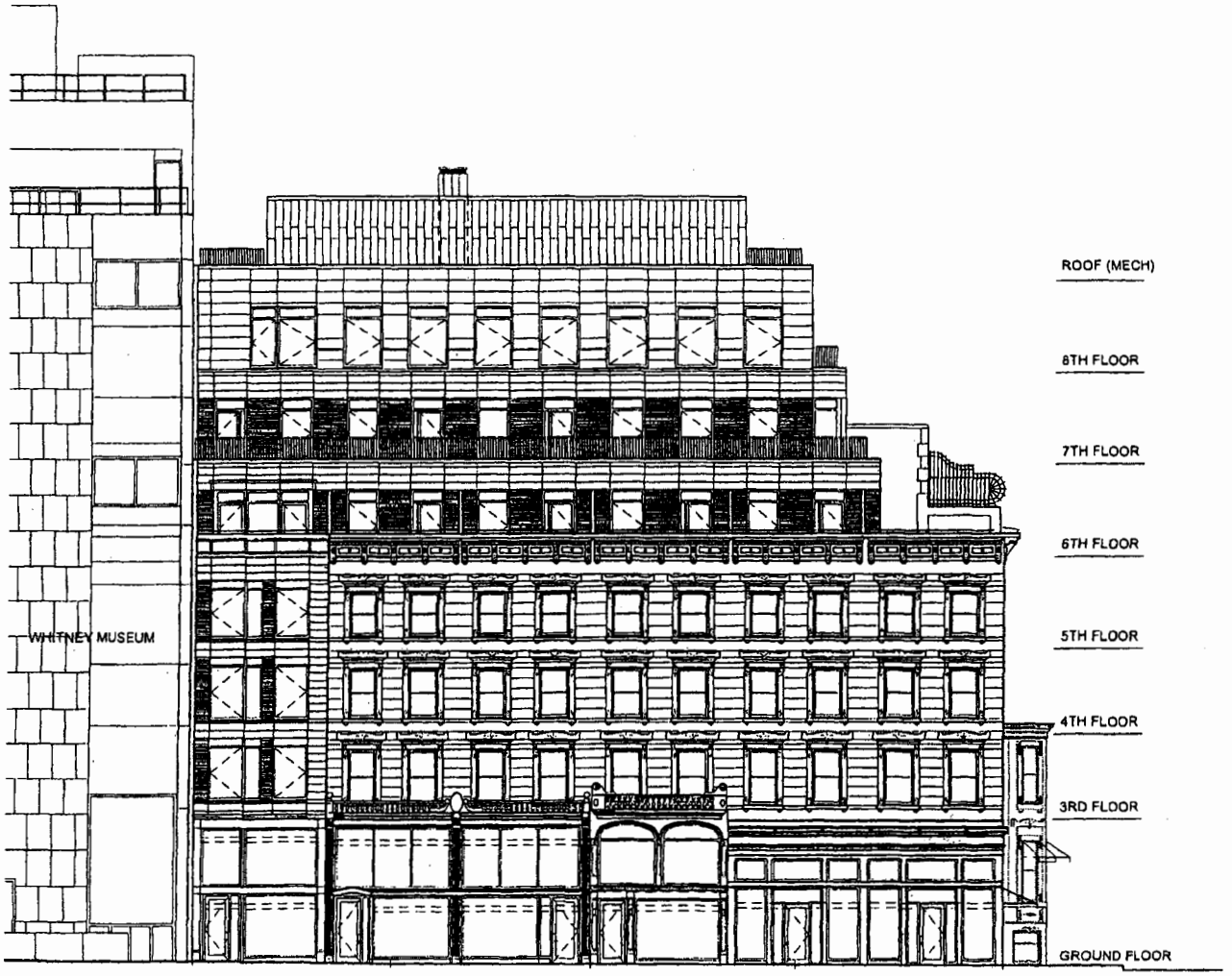


EAST 74TH STREET ELEVATION

0 2.5' 5' 10' 20' 30'

SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET



MADISON AVENUE ELEVATION

0 2.5' 5' 10' 20' 30'

SCALE: 3/64" = 1'-0"

33 EAST 74TH STREET

EXHIBIT 6

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as 33 East 74th Street
New York, New York
Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name

33 EAST 74TH STREET CONDOMINIUM
33 East 74th Street
New York, New York 10021

Sponsor

JZS Madison, LLC
780 West End Avenue, 1E
New York, New York 10025

Date of Declaration

_____ ___, 20__

Block 1389

Lots ____ to ____ (f/k/a Lot 25)

Borough of Manhattan

When Recorded, Return to:

Kramer Levin Naftalis & Frankel LLP
Attorneys for Sponsor
1177 Avenue of the Americas
New York, New York 10036
212-715-9100
Attention: Jay A. Neveloff, Esq.

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DECLARATION

OF

33 EAST 74TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

JZS MADISON, LLC, a New York limited liability company having an office at 780 West End Avenue, 1E, New York, New York 10023 ("Sponsor" or "Declarant"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY; BY-LAWS

1.1 Submission of Property. Sponsor hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (as the same may be amended from time to time, the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known (subject to the provisions of this Declaration) as "33 East 74th Street Condominium" (the "Condominium")."

1.2 Development Rights. Excluded from the Property are that portion of the unused air rights and floor area development rights that are now owned, 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 the Owner of the Commercial Unit, which Development Rights may be utilized by such Owner or any party acquiring the same from such Owner (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA").

1.3 By-Laws. Annexed to this Declaration as Schedule C and made a part hereof are the by-laws of 33 East 74th Street 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 in accordance with the provisions hereof and thereof governing amendments, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to such terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land described in Schedule A annexed hereto and made a part hereof (the "Land"), situate, lying and being in the City, County and State of New York. The Land is owned by Sponsor in fee simple absolute and has an area of approximately 12,621 square feet.

ARTICLE 3

THE PROPERTY

3.1 Included in the Property described in Article 1 is a building (the "Building") containing, in addition to lobbies, hallways, corridors and other service, utility and mechanical areas: (i) ten (10) residential units (collectively, the " Residential Units" and individually, a "Residential Unit"), located within the Building, on portions of the cellar level and Floors 1, 3, 4, 5, 6, 7 and 8 of the Building*; and (ii) one Commercial Unit (the "Commercial Unit") located on portions of the cellar level and Floor 1 of the Building.

3.1.1 The owner of a Residential Unit is herein called a "Residential Unit Owner" and the owners of all Residential Units are herein collectively called the "Residential Unit Owners".

3.1.2 The owner of the Commercial Unit is herein called the "Commercial Unit Owner." The Residential Units and the Commercial Unit are sometimes hereinafter referred to as the "Units" and individually as a "Unit."

3.2 The street address of the Property is 33 East 74th Street, New York, New York 10021.

ARTICLE 4

THE BUILDING

Declarant is completely renovating and enlarging the buildings situated at the Property including, but not limited to, constructing a new building core, elevators and fire stairs

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* As shown on the Floor Plans (as hereinafter defined) to be filed with the City Register's Office (as hereinafter defined) upon the recording of this Declaration, the floors of the Building are designated as follows: Subcellar and Cellar (below grade); First Floor or Floor 1 (at grade); and Floors 3 through 8 (above grade). There is no floor labeled Floor 2 since Floor 1 is a double-height space. All "Floor" references herein are in accordance with such floor designations. Floor numbering in the plans for the Building filed with the New York City Department of Buildings include references to construction levels which may differ from the Floor designations of the Building as set forth above.

so that the Property will ultimately encompass one (1) seven-story building with a sub-cellar and cellar below grade. The height of the Building will be approximately 90 feet 8 inches.

The construction of the Building is classified as being of Class I non-combustible construction, and the construction of the existing buildings is classified as being of Class II non-combustible construction. The existing buildings are supported on shallow foundations bearing on rock. Foundations of the new building will consist of shallow foundations bearing on rock. The new below grade slab will be soil-supported slab-on-grade. The superstructure of the existing buildings is a terracotta arch floor system supported on steel beams and girders supported by cast iron columns and masonry bearing walls on spread footings. Modified areas of the existing buildings will be concrete on steel deck supported by steel beams and girders. The addition on top of the existing buildings will be new steel framing and concrete on metal deck. The new structural system will be a cast in place concrete flat plate with concrete shear walls as the lateral system, supported on spread footings and mat foundations. The main roof and roof terraces at the Building will be comprised of a fluid-applied waterproofing membrane assembly over concrete slab under rigid insulation and precast concrete pavers supported by pedestals. The elevator and egress stair bulkhead roof will be comprised of a two-ply modified bitumen waterproof membrane above rigid insulation. The exterior facades of the existing buildings are primarily constructed with common brick back up wall faced with brownstone, brick or stone cladding. New infill and setback facades will be constructed with either a terracotta 'rainscreen' system or a metal panel system and insulation anchored to concrete block back up wall. The additions on top of the existing buildings will be constructed of either metal stud framing and sheathing or concrete block back up, faced with brick anchored to metal studs or block.

ARTICLE 5

THE UNITS

5.1 The location of each Unit is shown on and is governed by the floor plans of the Building certified by Beyer Blinder Belle Architects & Planners, LLP, intended to be filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration (as the same may be amended from time to time, the "Floor Plans"). Schedule B annexed hereto and made a part hereof sets forth the following supplementary data with respect to each Unit necessary for the further proper identification thereof: Unit designation; tax lot number; direction in which each Unit faces; approximate square foot area; number of rooms in the residential areas; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access; and the proportionate undivided interest in the fee simple absolute (expressed as a percentage) and in the Common Elements appurtenant to such Unit.

ARTICLE 6

DIMENSIONS OF UNITS; FLOOR AREA

6.1 Each Unit will be measured horizontally on each of one or more floors from the exterior side of the exterior wall of the Building to the midpoint of the interior walls and partitions separating a Unit from another Unit or separating a Unit from public corridors, stairs,

elevators and other mechanical equipment spaces or any Common Elements, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Unit) where totally or partially contained within the Unit are not deducted from the square foot area of the Unit. The vestibule immediately to the east of the double entry doors to the Unit, which is a Common Element, measured to the centerline of the partitions defining this space, has been included in the square foot area of Unit PH1. All Terrace dimension measurements are measured horizontally from the exterior face of the Unit to which such Terrace is appurtenant to the parapets, divider screens and landscaped planters, inclusive of these elements. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Notwithstanding the foregoing, the western edge of the 7th Floor Terrace appurtenant to Unit PH2 has been measured from the exterior face of the railing of such Terrace, inclusive of such railing, and excludes the area beyond such railing, which excluded area comprises a setback required by the New York City Landmarks Preservation Commission, and shall not be a part of such Terrace. The Yard dimension measurements are measured horizontally from exterior faces of the south and west brick walls to the east and north property lines. All Resident Storage Room dimension measurements are measured horizontally to and from the mid-point of the interior walls and partitions separating one Resident Storage Room from another Resident Storage Room, or the mid-point of the interior walls and partitions separating a Resident Storage Room from corridors, stairs, elevators or other mechanical equipment spaces, and the approximate face of the existing perimeter masonry foundation walls, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Storage Room) where completely or partially contained within the Storage Room are not deducted from the square foot area of the Storage Room. All dimensions on the Residential Units' plans/exhibits are approximate and subject to normal construction variances and tolerances. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Any floor area occupied by a Common Element bordering or within a Unit (including, but not limited to, portions of the Building's façade or exterior walls, vents, chase walls, or areas, conduits, ducts, shafts or pipes), may have been included in the computation of the floor area of a Unit, but such Common Elements are not part of such Unit.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, front entrance door and any other entrance doors to such Unit, windows, flooring, wall coverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, 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. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops, and appliances 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. In addition to the foregoing, the Commercial Unit shall include the façade immediately exterior to the Commercial Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, subject to such rules as may be imposed by the Condominium Board, 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. The Commercial Unit Owner shall have the right to erect or cause to be erected decorations, signs, flags, awnings, canopies and other installations on the façade of its Unit as more particularly set forth in Section 15.8 hereof.

ARTICLE 7

COMMON ELEMENTS

7.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities* located or contained therein for the common use of the Units and the Unit Owners (except for the Residential Limited Common Elements, as described below) or which are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements are comprised of the General Common Elements, and the Residential Limited Common Elements, all of which are described in Sections 7.2 through 7.3 of this Article 7, respectively, subject in all events however to any specific designation for any portion of the Property as may be reflected on the Floor Plans (whether or not consistent with the general descriptions contained in this Article).

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* As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line duct, conduit, cable, riser, main, shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

7.2 The General Common Elements include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Residential Limited Common Elements) the common use of which is necessary or convenient for the existence, maintenance, operation or safety of the Property. More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

7.2.1 The Land, together with all easements, rights and privileges appurtenant thereto.

7.2.2 All structural elements, foundations, foundation walls, main roof, bulkhead roof and all building roofs, footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings (when they contain common element mechanical systems and are made of two hour fire rated construction) unless the same are designated as part of a Unit or a Residential Limited Common Element hereunder.

7.2.3 All structures on any roof of the building, which benefit all or any combination of the Residential Units and the Commercial Unit.

7.2.4 All halls, passages and corridors, storage rooms (excluding Resident Storage Rooms), housekeeping areas, mechanical and other utility rooms, all fire staircases, landings, stairs, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building, serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.5 Ventilation supply system consisting of pumps, motors, ductwork, fans and controls, steam and condensate return piping serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.6 Hot water and condenser water systems serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.7 All enclosing walls and doors and all mechanical equipment and associated piping and controls and all utilities and mechanical and electrical transfers and equipment serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.8 All electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.9 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water and chilled water (including pumps, valves, pressure reducers, meters and water heaters and chillers), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.10 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.11 All electric service rooms, the pump room, boiler room, retention tank and room, gas and water meter rooms, generator rooms, electrical vault (if any) and all mechanical equipment serving same, washrooms, locker rooms, maintenance offices, telephone rooms and other service, mechanical and utility rooms or storage rooms serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.12 All other parts, systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all or any combination of the Residential Units and the Commercial Unit.

7.2.13 All other parts of the Property either existing for the common use of all or any combination of the Residential Units and the Commercial Unit or Unit Owners or that serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Property or all or any combination of the Residential Units and the Commercial Unit.

7.2.14 All loading/receiving areas, egress stairs and corridors; and the exterior space at the Building entries consisting of any stairs, railings, lighting and other electrical equipment, marquees, canopies and ornamental fixtures, planters and other freestanding structures; excluding, in all instances, such of these as only serve the Residential Units or Residential Unit Owners, and excluding such of these as are located within the Commercial Unit.

7.2.15 The two (2) existing exterior areaways located at the cellar level and Floor 1 on the side of the Building facing East 74th Street.

7.2.16 Enclosing walls and doors surrounding mechanical equipment; all utilities and mechanical and electrical transfers and equipment used for all or any combination of the Residential Units and the Commercial Unit.

7.2.17 With respect to any roof of the building, egress stairs servicing all or any combination of the Residential Units and the Commercial Unit and their enclosing walls and doors and all mechanical equipment serving same.

7.2.18 Smoke detection, alarm system and sprinkler system; telephone/data system and cable television system, except as located within an individual Unit.

7.2.19 All security monitors and equipment and other security facilities serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.20 Except as otherwise set forth herein, the General Common Elements also include the installations, equipment, apparatus, facilities, exterior walls, interior

walls, doors, partitions, floors, roofs, ceilings, hallways, lobbies, corridors and vestibules that enclose or service any one of the Units but are not part of such Unit.

7.2.21 Whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property and all Equipment existing in the Building or on the Property (other than those areas and items specifically identified on the Floor Plans as part of a Unit) the common use of and/or benefit from which is necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.3 The Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations) which exclusively serve or exclusively benefit all or a combination of the Residential Units or the Residential Unit Owners whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers).

7.3.1 The Residential Limited Common Elements include, without limitation, all Terraces (including, without limitation, any of the roof terraces appurtenant to Unit TH (the "Townhouse Unit") and Unit PH3, the rear yard (the "Yard") appurtenant to Unit TH and Resident Storage Rooms.

7.3.2 The façades of the Building immediately outside the Residential Units and other Residential Limited Common Elements outlined herein, but excluding the façade immediately outside the Commercial Unit, which is a part of such Unit.

7.3.3 To the extent shown on the Floor Plans as Residential Limited Common Elements, the residential lobby and entrances (including the two separate Unit TH entrances and the vestibule leading to the residential lobby as well as the residential service entrance) located on East 74th Street, the mail room, package room and storage area at Floor 1, the two passenger elevators each serving all of the Residential Units (the "Residential Passenger Elevators"), in each case including the shafts, elevator equipment, elevator pits and entrances and appurtenant facilities;

7.3.4 The Residential Passenger Elevators which are shown on the Floor Plans as Residential Limited Common Elements, together with the elevator cabs, overruns, bulkheads, shafts, pits, tanks, pumps, motors, fans, compressors, control and other related equipment in connection therewith, but excluding the walls of such elevator shafts (which are General Common Elements); the halls, passages, corridors, landings and lobbies, on, or connecting, the portions of floors of the Building constituting the Residential Units and/or on which the Residential Units are located, whether or not specifically identified on the Floor Plans as part of the Residential Limited Common Elements, to the extent not shown on the Floor Plans as constituting part of another Common Element or Unit;

7.3.5 Those stairs and stairways in the Building shown on the Floor Plans as Residential Limited Common Elements (and excluding those stairs, stairways and fire stairways in the Building shown on the Floor Plans as constituting part of another Common Element or Unit);

7.3.6 All other Equipment existing in the Building or on the Property which exclusively serves or exclusively benefits all or a combination of the Residential Units or the Residential Unit Owners;

7.3.7 All structures on any roof of the Building which exclusively serve all or a combination of the Residential Units or the Residential Unit Owners;

7.3.8 Those portions of the various systems of the Building from and after the point at which such systems are no longer part of the "Building Systems" by virtue of their exclusive service, beyond such point, to all or a combination of the Residential Units;

7.3.9 The Bicycle Storage, staff room, wash room, maintenance office, trash compactor room, janitor's closet, corridor directly outside the Resident Storage Rooms, elevator machine rooms and utility room, all located on the subcellar level of the Building and exclusively serving all or a combination of the Residential Units;

7.3.10 The Resident Storage Rooms located at the sub-cellar level of the Building;

7.3.11 The Fitness Room and bathroom located on the cellar level of the Building;

7.3.12 All security monitors and equipment and other security facilities exclusively serving or benefiting all or any combination of the Residential Units; and

ARTICLE 8

USE OF UNITS AND COMMON AREA

8.1 As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Laws or by applicable law or court order expressly provided, Residential Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation. Residential Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Residential Units may only be occupied by (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or

permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

8.2 Notwithstanding the foregoing or anything contained herein, in the By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Unit (as hereinafter defined) for any purpose, including, but not limited to, the use of any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations as to any such use.

8.3 The Commercial Unit may be operated for any legally permitted purpose, including, without limitation, retail, hotel, restaurant, banking, commercial or office purposes. The Commercial Unit, or any portion thereof, may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. No income derived from any use of the Commercial Unit will constitute income to the Board or any other Unit Owner.

8.4 Except as otherwise provided in the By-Laws: (i) the Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited; (ii) the Terraces and Yard may be used only for purposes commensurate with the uses permitted of the Units to which they are appurtenant; and (iii) Resident Storage Rooms may be used only for storage purposes, or as otherwise permitted by Legal Requirements, provided that no material which poses a health or safety threat or which otherwise creates a nuisance may be stored therein.

(a) Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

(b) No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

ARTICLE 9

CHANGES IN UNSOLD UNITS AND UNASSIGNED TENANT STORAGE ROOMS

9.1 Except to the extent prohibited by applicable Legal Requirements and subject to the By-Laws, Sponsor or its designee shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Units ("the Unsold Units") at the time owned by Sponsor or its designee (the term "Sponsor," or similar term, as used in this Declaration and in other Condominium documents, shall mean any affiliate* of Sponsor); (b) change the layout of, or number of rooms in, any Unsold Unit from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (d) if appropriate, reapportion percentage Common Interest among the Unsold Units affected by any such change in size or number pursuant to the preceding clause, and (c) their percentage interests in the Common Elements; provided, such changes are in compliance with Section 339 of the New York Condominium Act and, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto in writing. The provisions of this Article 9 may not be added to, amended, modified or deleted without the prior written consent of Sponsor or its designee.** Notwithstanding the other provisions of this Article 9, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, have 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. The certification referred to herein shall be delivered, at Sponsor's election, by Sponsor, the managing agent of the Condominium (the "Managing Agent") or any other person reasonably acceptable to the Board, in the case of any Unsold Unit, and by either the Managing Agent or any other person reasonably acceptable to the Board, in the case of any other Unit.

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* As used in this Declaration and the By-Laws, an affiliate of Sponsor shall be deemed to be a person or entity who or which (i) owns 25% or more of the legal or beneficial interest of Sponsor, or (ii) an entity with respect to which Sponsor owns 25% or more of the legal or beneficial interest.

** Wherever the consent, approval or satisfaction of Sponsor or its designee is required under this Declaration or the By-Laws, such consent, approval or satisfaction shall not be required when there are no Unsold Units.

9.2 Sponsor and/or its designee shall generally have all rights with respect to any Resident Storage Room which is unassigned (or which is appurtenant to an Unsold Unit) as are set forth in Section 9.1 with respect to Unsold Units.

ARTICLE 10

CHANGES BY THE COMMERCIAL UNIT OWNER

10.1 Except to the extent prohibited by law, the Commercial Unit Owner shall have the right, without the vote or consent of the Board, the Managing Agent or any other Unit Owner to: (a) mortgage or otherwise hypothecate its Unit: (b) decorate or make alterations, additions or improvements, in, to and upon the Commercial Unit (including, without limitation, performing structural or nonstructural, interior or exterior (including to the façade of the Commercial Unit), ordinary or extraordinary work provided, however, that such Commercial Unit Owner, if other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements to the Commercial Unit which would have a material and adverse effect on the structural, mechanical, electrical or plumbing elements of the building); (c) change the layout of, or number of rooms in, the Commercial Unit from time to time; (d) change the size of the Commercial Unit by subdividing the same into any desired number of condominium units (or by combining any units resulting from each such subdivision); and (e) reapportion among the newly created condominium units resulting from any subdivisions (or combination) their percentage interests in the Common Elements, provided such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act; provided, however, that (1) the percentage interest in the Common Elements of any Unit owned by any other Unit Owner shall not be changed by reason thereof, unless the owner of such Units shall consent thereto, and (2) such Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall hold the Board and all other Unit Owners harmless from any liability arising from any such decoration, alteration, addition, improvement, change, designation or reapportionment. The provisions of this Article 10.1 may not be added to, amended, modified or deleted without the prior written consent of the Commercial Unit Owner.

10.2 The Commercial Unit Owner shall have the right with regard to its Unit to amend the Declaration in order to reflect changes as set forth above in paragraph 10.1, or to cause the Board to do so. If the Commercial Unit is subdivided (or if any units resulting from such subdivision are thereafter combined), the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Board or other Unit Owners) set forth above in paragraph 10.1, described as pertaining to the Unit Owner of the original Commercial Unit.

ARTICLE 11

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated to receive service of process in any action which may be brought against the

Condominium or the Board. The Condominium and the Board shall each notify the Secretary of State of the address to which a copy of any process received should be mailed.

ARTICLE 12

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

ARTICLE 13

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent (when required by the By-Laws), of the Board, or made by Sponsor or its designee, as the case may be, or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand (or during any period in which it is being rebuilt or restored, in accordance with the By-Laws, following any such fire or other casualty, taking or eminent domain proceeding); provided that in the case of any such encroachment described in subparagraph c (ii) or (iii) above, such encroachment does not unreasonably interfere with the use of any of the Units for their permitted purposes and/or the use of the Common Elements for their intended purposes.

ARTICLE 14

FACILITIES AND ALL OTHER COMMON ELEMENTS

Except as may otherwise be expressly set forth herein or in the By-Laws: (i) each Unit Owner shall have, and is hereby granted, in common with all other Unit Owners, an easement to use any and all General Common Elements located anywhere on the Property without hindering the exercise of or encroaching upon the rights of the other Unit Owners in respect of such easement; and (ii) each Residential Unit Owner shall have, and is hereby granted, in common with all other Residential Unit Owners, an easement to use any and all Residential

Limited Common Elements, and any facilities located therein (subject to any easements or other exclusive rights of use, etc., provided in this Declaration or the By-Laws) without hindering the exercise of or encroaching upon the rights of the other Residential Unit Owners in respect of such easement. Each Unit shall be subject to an easement in favor of the Board, on behalf of all Unit Owners, to use, operate, maintain, repair, alter, rebuild, restore and replace all Common Elements located in such Unit or elsewhere on the Property. In addition, Sponsor (or its designee) and the Board shall have the right to erect scaffolding on or upon any of the Terraces or the Yard for a temporary period of time in connection with maintenance and repairs of the Building and its Common Elements. The Board and any managing agent, manager and other persons authorized by the Board shall have a right of access to each Unit and any Residential Limited Common Element appurtenant to such Unit, whether exclusive or not, (and such is hereby granted) to inspect the same or remove violations of governmental laws or regulations against any part of the Property; to cure defaults by the owner of such Unit under the By-Laws, this Declaration or the Rules of Regulations; to perform maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical systems or other portions of the Common Elements (including, without limitation, all Residential Limited Common Elements) contained therein or elsewhere in the Property; or correcting any conditions originating in any Unit and threatening another Unit or any Common Element; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

ARTICLE 15

EASEMENTS

15.1 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit or the Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.2 Each Residential Unit Owner of a Unit with a Terrace or Yard appurtenant thereto shall have an easement for the exclusive use of such Terrace or Yard, as applicable, which use shall be subject to the terms and conditions of this Declaration and the By-Laws. Each Terrace or Yard (and the Unit to which such Terrace or Yard, as applicable, is appurtenant) shall be subject to the easement(s) in favor of Sponsor and the Board as set forth herein.

15.3 Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress and egress to and from its Unit, and, to the extent reasonably necessary, for the use of any Common Element. The Units shall each be subject to such easement.

15.4 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit, the General Common Elements or any Residential Limited Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units or Resident Storage Rooms for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.5 Each Unit and the Common Elements shall have easements of subjacency, support and necessity, and the same shall be subject to such easements in favor of all the other Units and the Common Elements.

15.6 Sponsor (or its designee) and the Board with respect to the Property and the Commercial Unit Owner with respect to the Commercial Unit, shall each have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property or the Commercial Unit, as the case may be, as Sponsor (or its designee) or the Board, or the Commercial Unit Owner, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of any of the other Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of any of the other Units for their permitted purposes.

15.7 Sponsor (or its designee) and its successors and assigns, shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs, canopies, flags or awnings or other protrusions on or from the Property, including without limitation, on the exterior of the walls of the Building, for the purposes of advertising the sale or lease of any Unsold Unit, the sale or lease of all or any portion of the Commercial Unit(s), and/or the operation of any business of a tenant or occupant of all or any portion of any Commercial Unit or of any Unsold Residential Units, as the case may be. In addition, Sponsor and its designee(s) shall have the right, until the fifth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions,

events, promotional functions (e.g., with respect to any sales programs for Unsold Units) or otherwise.

15.8 The Commercial Unit Owner and any tenant or tenants of the Commercial Unit pursuant to the terms of any lease pertaining thereto shall have the right and an easement to erect, maintain, repair and replace or cause to be erected, maintained repaired and replaced, from time to time, either within or in the immediate location of the Commercial Unit below the windows at Floor 3 and on the sidewalk adjacent to the Commercial Unit's entrance or entrances, one or more signs, flags or other protrusions which may be illuminated, including neon, flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes. Additionally, the owner of the Commercial Unit and any tenant or tenants of the Commercial Units pursuant to the terms of any lease pertaining thereto, shall have an easement to erect, maintain, repair and replace or cause to be erected, maintained, repaired and replaced in the immediate location of the Commercial Unit, including, below the windows at Floor 3, but not to interfere with the entrance to any other Unit, (i) a canopy and/or awning for advertising or identification purposes, and (ii) and automatic teller machine ("ATM") which shall be used in conjunction with the use of the Commercial Unit. Such Unit Owner and any tenant of space in such Unit shall comply with all laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Commercial Unit Owner or its tenant shall obtain and pay for all permits required for such signs, ATM, canopies and/or awnings and/or any necessary renewal fees related thereto.

15.9 The Commercial Unit Owner and any tenant or tenants thereof pursuant to the terms of any lease pertaining to the Commercial Unit, shall have an easement, without charge or limitation, to use all or any portion of the sidewalks, including, but not limited to, any plantings and/or planters located thereon, which are directly in front of the Commercial Unit for any lawful purpose and in conjunction with the use of the Commercial Unit.

15.10 The Commercial Unit Owner and any tenant or tenants (or subtenant(s)) of the Commercial Unit pursuant to the terms of any lease pertaining thereto, shall have the following easements for the benefit of and appurtenant to the Commercial Unit in connection with the installation of one or more elevators in the Commercial Unit:

(a) A permanent, perpetual and exclusive easement in, to and over (together with the exclusive right of use, access and possession of) certain portions of the Common Elements located in the sub-cellar level of the Building (but not in the location of the Resident Storage Rooms) (the "Elevator Easement Area"), for the purpose of constructing, erecting and installing therein one or more elevator pits, machine rooms and related installations and equipment (including, without limitation, as applicable, elevator cabs, bulkheads, shafts, motors, fans and compressors) (collectively, the "Elevator Structures") and any associated HVAC and other systems and any associated wiring, lines and other conduits (collectively, the "Elevator Systems," the Elevator Structures and Elevator Systems, collectively the "Elevator Installations"), and thereafter operating, maintaining, repairing, restoring and replacing the Elevator Installations.

(b) A permanent and perpetual non-exclusive easement in, on, to and over other portions of the Common Elements located in the sub-cellar level of the Building (but not in the location of the Resident Storage Rooms) (the "Elevator Conduit Easement Area," the Elevator Conduit Easement Area and the Elevator Easement Area, collectively, the "Easement Area") for the purpose of constructing, erecting and installing and maintaining, repairing, rebuilding restoring and replacing the applicable lines, wiring and other conduits comprising the Elevator Systems in and under the ceiling of the sub-cellar.

(c) A non-exclusive, perpetual easement and right-of-way in, on, to and over such portions of the Common Elements as necessary in order to gain access to any portion of the Easement Area, as applicable, for the purpose of constructing, erecting, installing, maintaining, repairing, rebuilding, restoring and replacing the Elevator Structures and/or the Elevator Systems (individually or collectively, as the case may be, the "Easement Work"), provided however that such easement shall only be (i) granted for those areas which are adjacent to those areas of the applicable portion of the Elevator Structures and/or Elevator Easement Area upon which Easement Work is being performed, and (ii) in effect until completion of the applicable Easement Work. The contractors, agents, employees, laborers and materialmen of the Grantee shall have the right, subject to the provisions, terms and conditions of this Declaration, to enter upon and use such easement and right of way when performing any Easement Work in the applicable easement area(s).

In the performance of any work described in this Section 15.10, the Commercial Unit Owner agrees that (i) reasonable and adequate provision shall be made for the safety and convenience of all Unit Owners; (ii) all such work will be performed in a reasonable manner; (iii) upon completion of any such work in any Easement Area, the ground surface and ceiling surfaces of the applicable portions of the Common Elements outside the Easement Area affected by any such work shall be restored to substantially the condition which they were in prior to the performance of such work, (iv) if the exercise of the Commercial Unit Owner's rights with respect to the easement set forth in this Section 15.10 requires the relocation of certain equipment or machinery located at the sub-cellar level of the Building, such equipment or machinery shall be relocated at the Commercial Unit Owner's sole cost and expense; (v) all other costs, fees and expenses incurred as a result of the such work shall be borne by the Commercial Unit Owner; (vi) before performing any such work, the Commercial Unit Owner shall obtain all permits, licenses or other authority as may be required from any applicable governmental authorities having jurisdiction; and (vii) such work shall be performed in accordance with applicable Legal Requirements. The Condominium Board agrees, provided it shall not incur any liability as a result thereof, that, if necessary because of any Legal Requirements or otherwise as reasonably requested by the Commercial Unit Owner, it shall promptly execute any applications reasonably requested by the Commercial Unit Owner, and required to be executed by the Condominium, in order for the Commercial Unit Owner to effectuate its rights under this Section 15.10.

15.11 Subject to the provisions of Section 15.10 and 15.15 hereof, the Commercial Unit Owner, their servicemen, consultants and/or repairmen, shall have an easement by means of the shortest distance and/or route from the service entrance to the Building and

through the residential staircases in, on, over and across the sub-cellar or other common areas of the Building for the sole purpose of maintaining, repairing and/or replacing any equipment, located in the sub-cellar or roof level mechanical rooms or in the boiler room of the building and which services the Commercial Unit.

15.12 Each easement and other right granted under this Article 15 shall be deemed to permit the Unit Owner's contractors, subcontractors, agents, representatives, Occupants, employees and other designees (and, in the case of a grant to the Board, the Managing Agent), to use such easement or other right, as applicable, if such Unit Owner so elects.

15.13 Any grant of an easement "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

15.14 Sponsor and/or its designees and the Commercial Unit Owner and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or designated as a Residential Limited Common Element; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations or designated as a Residential Limited Common Element, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor or the Commercial Unit Owner under any lease, license or other right of use granted by Sponsor or the Commercial Unit Owner with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor or the Commercial Unit Owner, whichever is applicable, and not of the Condominium and any rights of Sponsor or the Commercial Unit Owner, whichever is applicable, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor or the Commercial Unit Owner, whichever is applicable, and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees and the Commercial Unit Owner and its designees (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Residential Units and the Commercial Unit shall each be subject to such easement. The word "utility" or "utilities" as used in this Section 15.10 shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits.

15.15 The Commercial Unit Owner and the occupants of the Commercial Unit shall have an easement by means of the shortest distance and/or route from the service entrance located on the East 74th Street side of the Building on the ground floor which is a part of the Residential Unit Limit Common Elements, as shown on the Floor Plans on over and across those portions of the Common Elements leading to an internal entry point to the Commercial Unit, for the purposes of ingress and egress to the Commercial Unit.

15.16 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 16

POWER OF ATTORNEY TO THE BOARD

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine): (a) to acquire or lease on behalf of all Residential Unit Owners any Residential Unit, together with its Appurtenant Interests (as hereinafter defined), from any Residential Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by the Board in its reasonable discretion; (b) to acquire on behalf of all Residential Unit Owners any Residential Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same to the Condominium Board; (c) to acquire any Unit, together with its Appurtenant Interests, 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 Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners (in the case of a Residential Unit) and all Unit Owners (in the case of the Commercial Unit), and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine; and (d) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Board, in its reasonable discretion, deems necessary or appropriate.

16.2 Each Unit Owner shall grant to Declarant a power of attorney to amend this Declaration in accordance with the terms hereof and to effectuate the rights granted to Declarant under this Declaration and the By-Laws and the Offering Plan and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from Commercial Unit Owner, or its successors or assigns, all or any portion of the Development Rights.

ARTICLE 17

ACQUISITIONS OF UNITS BY THE BOARD

17.1 If (a) any Residential Unit Owner surrenders his or her Residential Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Residential Unit Owner in any other Units theretofore acquired by the 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 Residential Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Residential Unit, together with its Appurtenant Interests; or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, on behalf of all Residential Unit Owners (in the case of the Board's acquisition of a Residential Unit), in proportion to such Residential Unit's percentage of Common Interest compared to the total of all Residential Units, or all Unit Owners (in the case of the Board's acquisition of the Commercial Unit), in proportion to their respective interests in the Common Elements, as may be applicable. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to such Residential Unit's percentage of Common Interest compared to the total of all Residential Units, or all Unit Owner, in proportion to their respective interests in the Common Elements, as may be applicable.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (which Rules and Regulations shall be applicable to the Residential Units only) (true copies of which are annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 18 and of any Rules and Regulations as may be adopted and amended from time to time, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the applicable Unit Owners of all or any part thereof, or interest therein, and their heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations (which Rules and Regulations shall be applicable to the Residential Units only), as they may be amended from time to time, are accepted and ratified by such owner,

tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

18.3 Subject to the provisions of Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19

AMENDMENTS OF DECLARATION

Article 13 of the By-Laws is incorporated herein in its entirety; and, except as otherwise expressly set forth herein, the provisions thereof shall govern the amendment and/or modification of, addition to and/or deletion of any of the provisions of this Declaration.

ARTICLE 20

TERMINATION OF CONDOMINIUM

20.1 The Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more

particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 80% both in number and aggregate of the Common Interests of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential and Commercial Mortgagee Representatives if any. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least 80% in number and in aggregate of the common interests of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee may choose to vote its common interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

20.2 To the fullest extent permissible under the law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e. Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be selected by the Commercial Unit Owner, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

ARTICLE 21

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 22

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

ARTICLE 23

CERTAIN REFERENCES

23.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

23.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Sections 18.2 and 18.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 25

COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublesee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party (or the holder of a lien on its Unit) requesting the same, execute, acknowledge and deliver to such other party (or the holder of a lien on its Unit) such instruments, in addition to those specifically provided for herein, and take such other action, as such other party (or the holder of a lien on its Unit) may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, the Board and each Unit Owner shall be required, upon the request of the Commercial Unit Owner or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with any Merger, any declaration of zoning lot restrictions, any ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

25.2 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which such Unit Owner or party is required to take pursuant to this Declaration and such failure continues for an additional ten (10) day period following receipt of a second written request

therefor (together with written advice that the requesting party shall be entitled to take action upon the recipient's failure or refusal to perform) then the Board is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.3 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which the Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 26

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of all then Unsold Units. The rights and/or obligations of the Commercial Unit Owner as set forth herein shall inure to the benefit of and be binding upon any successor or assign of the Commercial Unit Owner. Subject to the foregoing, Sponsor or its designee, and/or the Commercial Unit Owner, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by merger, consolidation, sale, lease, assignment or otherwise. The rights and/or obligations of the Unit Owners or their designees as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of such Unit Owners or their designee(s).

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ____ day of _____, 20__.

JSZ MADISON, LLC

By: _____

Name:
Title:

State of _____)
) ss.:
County of _____)

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 whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
(Signature and office of individual taking acknowledgment)

SCHEDULE A TO DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF 33 EAST 74TH STREET CONDOMINIUM

DESCRIPTION OF THE LAND

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Madison Avenue with the northerly side of East 74th Street;

RUNNING THENCE easterly along the northerly side of East 74th Street, 125 feet;

THENCE northerly parallel with Madison Avenue, 102 feet 2 inches;

THENCE westerly parallel with East 74th Street, 25 feet;

THENCE southerly and parallel with Madison Avenue, a distance of 1 foot 6 inches to the center line of the block;

THENCE westerly parallel with East 74th Street, a distance of 100 feet to a point on the easterly side of Madison Avenue;

THENCE southerly along the easterly side of Madison Avenue, 100 feet 8 inches to the corner formed by the intersection of the easterly side of Madison Avenue with the northerly side of East 74th Street, the point or place of BEGINNING.

SCHEDULE B TO
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP
OF 33 EAST 74TH STREET, NEW YORK, NEW YORK

DESCRIPTION OF UNITS

Unit	Number of Rooms and Baths	Approx. Total Area	% Interest in Common Elements (Common Interest)	Tax Lot No.	Location (in Portion of Building Facing in Direction set forth below)	Common Elements to Which Unit Has Immediate Access

SCHEDULE C TO
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP
OF 33 EAST 74TH STREET, NEW YORK, NEW YORK

CONDOMINIUM BY-LAWS

EXHIBIT 7

CONDOMINIUM BY-LAWS

BY-LAWS

OF

33 EAST 74TH STREET CONDOMINIUM

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BY-LAWS

OF

33 EAST 74TH STREET CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these by-laws (the "By-Laws") is to set forth the rules and procedures concerning the conduct of the affairs of 33 East 74th Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 12,621 square feet of land (the "Land") which forms a part of Block 1389 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; the Condominium and these By-Laws shall be subject to the provisions of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration"), which has been recorded in the New York County office of the Register of the City of New York (the "Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined) (except that the Rules and Regulations shall only be applicable to all present and future Residential Unit Owners, mortgagees, lessees, sublessees and occupants of Residential Units and their respective employees, invitees and guests). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease, sublease or license for, or the act of occupancy of, all or any portion of a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations (as applicable to the Residential Units) and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

1.3 Principal Office of the Condominium. The principal office of the Condominium shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 General Description of the Board.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the First Annual Meeting of Unit Owners (as hereinafter defined), as provided in Section 3.1, the Board shall consist of four persons elected and/or designated by the Unit Owners.

2.1.2 Each member of the Board, except for the First Board (as hereinafter defined), as provided in Section 2.3 and except as otherwise provided herein, shall be elected at an annual meeting of the Unit Owners and shall serve until the expiration of their term in office on the third regularly scheduled annual meeting thereafter. Notwithstanding the expiration of the term of office of a member of the Board, each member shall serve until a successor for such member has been elected and qualified.

2.1.3 Except for any Member elected or designated by Sponsor or its designee, all members of the Board must be: (i) individual Unit Owners or Permitted Mortgagees (as hereinafter defined) of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning or holding a Permitted Mortgage; (v) fiduciaries or beneficiaries who are Unit Owners or Permitted Mortgagees of Units (or directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members (as defined in Section 8.7) or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a Permitted Mortgagee of a Unit. Other than Board members elected or designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above. As used herein, the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon in accordance with these By-Laws.

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

2.2 Powers and Duties of Board.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, (and in addition to all other powers and duties granted to the Board by law, the Declaration or these By-Laws) the Board shall be entitled to make determinations with respect to all matters relating to the operation and the affairs of the Condominium, including, without limitation, the following:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition and improvement to, and alteration and replacement of the Common Elements, in the condition and otherwise in such a manner that maintains standards of quality, service and appearance which are appropriate for a luxury condominium.

(b) The amount of Common Charges and any assessments.

(c) Collection of Common Charges and any assessments from Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, on behalf of all Residential Unit Owners, those Residential Units offered for sale or lease by, or Residential Units surrendered by, the owners of such Residential Units to the Board, or those Units with respect to which liens for real estate taxes are being sold.

(g) Purchasing Units at foreclosure or other similar sales (including, without limitation, in connection with the enforcement of the Board's lien for unpaid Common Charges), in the name of the Board or its designee, on behalf of all Residential Unit Owners (in the case of the Board's purchase of a Residential Unit) or all Unit Owners (in the case of the Board's purchase of a Commercial Unit.

(h) Selling, leasing, mortgaging, refinancing and otherwise dealing with (but not voting the interests appurtenant to) Residential Units acquired by, and subleasing Residential Units leased by, the Board or its designee, on behalf of all Residential Unit Owners (in the case of a Residential Unit) and all Unit Owners (in the case of the Commercial Unit) and preparing, administering and executing Resident Storage Room licenses and assignments and assumptions thereof.

(i) Making repairs, restorations, additions and improvement to, and alterations and replacements of, the Common Elements.

(j) Making repairs, restorations, additions and improvements to, and alterations and replacements of, the Property or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(k) Enforcing obligations of Unit Owners.

(l) Levying fines against Residential Unit Owners for violations of the Rules and Regulations (which fines shall constitute Common Charges payable by the Unit Owners against whom they are levied); provided, however, that no fine for any single infraction shall exceed $250 (but every day that an infraction continues shall be considered a separate infraction subject to fine).

(m) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Article 6 hereof.

(o) Borrowing money, at any time, on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as provided in Section 8.6 herein, the consent of at least 66-2/3% in common interest of all Unit Owners (which shall include the consent of the Commercial Unit Owner) or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Limited Common Elements, respectively, if such borrowings are in excess of the aggregate amount of $100,000 (subject to increase by the CPI Increase Factor) in any one fiscal year (regardless of the balance of loans outstanding from previous years); (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (C) no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Residential Limited Common Elements, and the loan documentation in either case shall so provide. In addition to the debt described above, the Board, without approval of the Unit Owners may, at any time, incur, or refinance, debt from time to time secured by a lien on any Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements. If any sum borrowed by the Board pursuant to the authority contained in this subparagraph 2.2.2(o) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of either all Unit Owners or all Residential Unit Owners (depending on whether the borrowing was made on behalf of all Unit Owners or only the Residential Unit Owners, respectively), in the

Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit, and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth in clause (A) and (C) of this subsection 2.2.2(o), and all other dollar amounts referenced elsewhere in these By-Laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. Provided, however, pursuant to subsection jj of Section 339 of the RPL, that the Board is authorized to incur any such debt described above provided that such debt is incurred no later than the fifth anniversary of the First Closing. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

(p) Organizing corporations, limited liability companies and/or other entities to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units acquired or leased by the Board on behalf of the Unit Owners.

(q) Execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting the Property or the Condominium which the Board deems necessary or appropriate to comply with the Legal Requirements applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting (x) the Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these By-Laws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these By-Laws) the Board determines that taking such action is appropriate.

(r) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to: (i) all Units other than the Commercial Unit for the benefit and on behalf of the Unit Owners and (ii) the Commercial Unit, for the benefit of the Owner thereof, but only to the extent requested and authorized to do so, in writing, by the Owner thereof; and provided, in each case, that all such Unit Owners indemnify the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

(s) Commencing, prosecuting and settling litigation.

(t) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.4.

(u) Imposition, increase, decrease or elimination of move-in fees and charges, working capital charges, and transfer fees and/or "flip taxes" payable to the Managing Agent

and/or the Condominium, in connection with the sale, purchase or lease of a Residential Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon Sponsor or its designee or any Residential Units bought, sold or leased by the Board.

(v) Establishing, changing and otherwise making determinations with respect to reserves, including, without limitation, a general operating reserve or a reserve for working capital or for replacements with respect to the Common Elements.

2.2.3 Except as otherwise provided in these By-Laws or in the Declaration, the Commercial Unit Owner shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair and replacement of the Commercial Unit.

(b) Employment and dismissal of personnel necessary for the maintenance and operation of the Commercial Unit.

(c) Leasing or granting consent with respect to the sublease of all or any portion of the Commercial Unit, or the use thereof by persons or for purposes otherwise permitted and the granting of other consents as in these By-Laws provided, except that the Commercial Unit shall be used for any lawful purpose as provided in the Plan, and provided that the Unit Owner of the Commercial Unit (and any lessee, sublessee and occupant) complies with any other restrictions with respect to the Commercial Unit that the Unit Owner of the Commercial Unit agreed to with Sponsor, if any.

(d) Selling, leasing, mortgaging and otherwise dealing with all or any portion of the Commercial Unit.

(e) Decorating or making alterations, additions or improvements, in, to and upon the Commercial Unit (including, without limitation, performing structural or nonstructural, interior or exterior (including to the façade of the Commercial Unit), ordinary or extraordinary work provided, however, that except as otherwise provided for in Section 15.10 of the Declaration, such Commercial Unit Owner, if other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements to the Commercial Unit which would have a material and adverse effect on the structural, mechanical, electrical or plumbing elements of the Building.

(f) Making repairs to and restoration of the Commercial Unit, or parts thereof, damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, provided such repairs and restorations comply with all applicable Legal Requirements and do not materially and adversely affect the structural, mechanical, electrical or plumbing elements of the Building.

(g) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Commercial Unit, as set forth in Section 6.4.

(h) Borrowing money when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Commercial Unit, or otherwise in connection with any permitted action or activity of the Commercial Unit Owner; provided, however; that (i) no lien to secure repayment of any sum borrowed may be created on any other Unit or its appurtenant interests in the Common Elements without the consent of the owner of such other Unit, and (ii) Unit Owners other than the Commercial Unit Owner will not be liable for repayment of any portion of any such loan, unless they otherwise agree in writing.

(i) Execution, acknowledgement and delivery of (i) any declaration or other instrument affecting the Commercial Unit which the Unit Owner thereof deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Commercial Unit, or (ii) any consent, covenant, restriction, easement or declaration affecting the Commercial Unit which the Unit Owner there deems necessary or appropriate. The provisions of this subparagraph 2.2.3(i) are subject to the provisions of Articles 10 and 19 of the Declaration.

(j) Execution, acknowledgement and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain a reduced real estate tax assessment solely with respect to the Commercial Unit.

2.2.4 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by the Board shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board, and the Board may employ one or more managing agents and/or managers (individually and/or collectively, the "Managing Agent"), at a compensation established by the Board, to perform such duties and services as the Board shall authorize. The Board may delegate to such Managing Agent or manager any powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (f), (g), (h) (k), (l), and (n) through (v).

2.2.5 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period (the "Initial Control Period") which shall end upon the later to occur of: (a) the fifth anniversary of the First Closing of title to any Unit pursuant to a Purchase Agreement (as such term is defined in that certain Offering Plan, dated as of November 18, 2013 for the sale of Units at the Condominium (the "Offering Plan")); or (b) the closing of title by Sponsor to Units representing more than 75% in number and in aggregate Common Interests of all Units, the Board may not, without Sponsor's prior written consent: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable laws, statutes and ordinances, including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the Landmarks Preservation Commission, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any

part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Offering Plan (the "First Year's Budget"); (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (unless such borrowing is approved by the owners of Units representing at least 75% in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal or waiver thereof to lease or purchase a Residential Unit. However, the Board may take any of the actions enumerated in subsections (i) through (vi) above, without the consent of Sponsor if, and only if such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirement, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general conduct or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in said Schedule B, or over expenses required: (i) to comply with applicable Legal Requirements; or (ii) to remedy any notice of violation; or (iii) to remedy any work ordered by an insurer. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence for a period ending not more than five (5) years after the First Closing or whenever Unsold Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is sooner.

2.3 Number and Terms of Office of Members of the Board.

2.3.1 Until the First Annual Meeting held by the Unit Owners pursuant to the terms of Section 3.1 hereof, the Board (the "First Board") shall consist of three (3) persons designated by Sponsor from time to time. Prior to the First Annual Meeting, the terms of each member of the First Board shall expire annually and, subject to the other provisions of this Section, Sponsor shall have the right to designate the replacement for each such member, even though such replacement may be the same person. In accordance with the provisions of and within the time periods set forth in Section 3.1, the First Board shall cause the President of the Condominium to call the First Annual Meeting of Unit Owners. The term of office of the three members of the First Board so designated by Sponsor shall expire when the four members to be elected and/or designated at the First Annual Meeting are so elected or designated, as the case may be, and qualified.

2.3.2 From and after the First Annual Meeting, the Board shall consist of four (4) persons: three members elected and/or designated by the Residential Unit Owners (including Sponsor) who will each be entitled to one vote in all matters which require a vote of the entire Condominium Board, and one member designated by the Commercial Unit Owner, who will be entitled to one vote in all matters which require a vote of the entire Condominium Board. The Commercial Unit Owner shall at all times have the right to designate such Board member as aforesaid. For so long as Sponsor is entitled to designate at least one member, as provided for in subsection 2.4.3 hereof, the Board may not be expanded beyond four members without the prior consent of Sponsor.

2.3.3 The term of office of each of the four members comprising the Board will usually be three years, except that the terms of office with respect to the first four member board shall be fixed at the First Annual Meeting as follows: (a) two members will serve for approximately two (2) years, and (b) two members will serve for approximately one (1) year. At the expiration of the initial term of office of each member of the Board, each such member's successor will be elected (or designated, as the case may be) to serve for a term of three years. The members of the first Board elected at the First Annual Meeting who receive the highest number of votes will serve for the longest terms; but except as set forth in subsection 2.4.4 hereof, any members designated by the Sponsor or its designee pursuant to the terms of subsection 2.4.3 or by the Commercial Unit Owner will serve for the shortest terms. At each annual meeting of Unit Owners subsequent to the First Annual Meeting, the Unit Owners shall elect (or in the case of the Commercial Unit Owner, designate), as the case may be, pursuant to the terms of Section 2.4 hereof, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board (including any Member designated by Sponsor, or its designee, or the Commercial Unit Owner) may serve until his or her successor shall be elected and qualified.

2.4 Election of Board Members; Rights of Sponsor.

2.4.1 Subject to the terms of subsections 2.4.2, 2.4.3 and 2.4.4, all members of the Board shall be determined by plurality of the votes cast by the Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee owns at least one Unit) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present or not required.

2.4.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Units owned by such Unit Owner and the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.4.3 Notwithstanding any other provision of this Section 2.4 or of these By-Laws or otherwise to the contrary, at the First Annual Meeting and at all times theretofore and thereafter, Sponsor and/or its designee and/or any owner of Unsold Units shall be able to vote in accordance with its/their ownership of Units and thus may be able to elect members of the Board by virtue of its/their ownership of Units. In addition at elections of members to the Board held before the expiration of the Initial Control Period, if: (i) Sponsor (or its affiliate) owns the Commercial Unit, Sponsor and/or its designee shall designate the member of the Condominium Board designated by the Commercial Unit Owner and two additional members of the Condominium Board (all of whom may be persons related to or affiliated with Sponsor and/or its designee or other Unsold Unit Owner) and Sponsor, such designee and all other Unit Owners shall elect the remaining Board member; and (ii) Sponsor (or its designee) is not entitled to appoint the member of the Condominium Board to be designated by the Commercial Unit Owner, Sponsor and/or its designee shall designate two members of the Condominium Board

(each of whom may be persons related to or affiliated with Sponsor and/or its designee or other Unsold Unit Owner), the Commercial Unit Owner shall designate the member of the Condominium Board to be designated by the Commercial Unit Owner, and Sponsor and/or its designee and all other Unit Owners shall elect the remaining Board member.

In addition, at elections of members to the Board held after the expiration of the Initial Control Period but while Sponsor and/or its designee still owns at least one Residential Unit, Sponsor and/or its designee shall have the right to elect or designate not more than one member of the Board (in addition to any member(s) designated by Sponsor as the Unit Owner of the Commercial Unit), who may be persons related to or affiliated with Sponsor, such designee or other Unsold Unit Owner; and Sponsor, such designee and all other Unit Owners shall have the right to elect (or in the case of the Commercial Unit Owner, to designate) the remaining members of the Board.

There is no restriction on the right of Sponsor and its designee(s) or any Unsold Unit Owner to vote for members of the Board who are not related to or affiliated with Sponsor or such designee or Unsold Unit Owner; however, after the expiration of the Initial Control Period, neither Sponsor nor its designee will designate a majority of the Members.

2.4.4 In the event that after notice of an annual meeting of Unit Owners is given to all Unit Owners in the manner prescribed by Section 3.4 of these By-Laws, the Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining members of the Board shall fill any resulting vacancies at a special meeting of the Board held for that purpose promptly thereafter, even though the members of the Board present at such meeting may themselves constitute less than a quorum. The Board shall request the Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the Board. Any person so elected by the Board shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the term.

2.5 Resignation and Removal.

2.5.1 Any member of the Board may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the President or Secretary of the Condominium and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested by the resigning member, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2 Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any member elected by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined.) Any member of the Board who was designated or elected as such by Sponsor (or its designee), in Sponsor's capacity as a Unit Owner, pursuant to the

terms of Sections 2.4 or 2.6, may be removed from office (x) for cause, by a Majority of Unit Owners and (y) without cause, only by Sponsor (or its designee). In the event of any removal described in the previous sentence, whether with or without cause, either Sponsor (or its designee) shall have the sole right to designate the replacement of the member which had been designated or elected by Sponsor (or its designee). Any Board member whose removal for cause has been proposed shall be given an opportunity to be heard at the meeting of Unit Owners at which such removal is to be considered.

2.6 Vacancies on Board. Subject to the provisions of Sections 2.3, 2.4 and 2.5, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee, as the case may be).

2.7 Organizational Meetings of Board. The first meeting of the Board following each annual meeting of Unit Owners shall be held within ninety (90) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the members thereof, and no notice shall be necessary to the members of the Board in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least two such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, nationally recognized overnight courier or telecopy, at least five business days prior to the day named for such meeting.

2.9 Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving at least five business days' prior notice to each member of the Board, by personal delivery, nationally recognized overnight courier or telecopy, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of two or more members of the Board.

2.10 Waiver of Notice. Any member of the Board may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver by such member of notice of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Board; Quorums.

2.11.1 Except as otherwise set forth in subsections 2.4.4., 2.6 and 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum except as may otherwise be provided herein, and the votes of a majority of such members present shall constitute the decision of the Board. Notwithstanding the foregoing, at any meeting pertaining solely to matters which do not affect the Commercial Unit Owner or the Commercial Unit, a majority of the members other than the Commercial Unit Owner's designee shall constitute a quorum for purposes of such meeting.

2.11.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum exists or may reconvene the meeting to a time (specified on at least three business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent members) when no quorum requirement shall apply. At any such adjourned meeting at which a quorum is present or is not required, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of the Managing Agent, building engineer or superintendent in connection with the affairs or operation of the Condominium (except in its or their capacities as Unit Owners), and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent only as agent for all Unit Owners, and that the Board members or the Managing Agent shall have no personal liability thereon (except in its or their capacities as Unit Owners) and may also state the applicable limitations of liability of the Unit Owners provided for in the next sentence; however, the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the Board or the Managing Agent or any greater liability on the part of any Unit Owner than as provided in the next sentence. The liability of any Unit Owner for any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and in each case, to the extent permitted by applicable law, the liability of any Unit Owner shall be limited to such Unit

Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for any such contract, act or omission.

2.13.2 Nothing in the preceding section shall limit a Unit Owner's liability for the payment of Common Charges. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for its or his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such Board member's own bad faith or willful misconduct. The Board may contract or effect any other transaction with any member of the Board, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.13.3 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other services to be provided or obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or such member thereof, as the case may be; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of the Board or such member thereof.

2.14 Fidelity Bonds. The Board shall obtain fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint such committees as the Board may deem appropriate, each to consist of two or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers designated to it by the Board during the intervals between the meetings of the Board insofar as may be permitted by law. For so long as Sponsor is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one of its members a member of the Board appointed by Sponsor.

2.16 Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation or organization of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

2.17 Incorporation and Organization of Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so organizes or incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these By-Laws; and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement.

2.18 Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.19 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

2.20 Principal Office of Board. The principal office of the Board shall be located either within the Property or at such other place in the Borough of Manhattan, as may be designated from time to time by the Board.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners (the "First Annual Meeting") shall be held not later than 30 days following the later to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title by Sponsor (or its designee), as seller, to Units representing more than 50%, both in number and in aggregate Common Interests of all Units, to Purchasers (as defined in the Offering Plan). At such meeting, a new Board shall be elected and/or designated (as provided in Sections 2.3 and 2.4) consisting of four persons and the incumbent Board shall resign. Thereafter, annual meetings of Unit Owners shall be held within approximately four weeks after the anniversary of such first meeting in each succeeding year on a date to be set by the Board. At such meetings, the Unit Owners shall elect, or designate, as the case may be, successors to the members of the Board whose terms of office are due to expire on or about the day of such meeting or have already expired and there shall also be transacted such other business as may properly come before such meeting.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other place in the Borough of Manhattan as may be designated from time to time by the Board.

3.3 Special Meetings. The President or the Vice President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by Unit Owners owning Units representing not less than 50% of the Common Interests of all of the Units. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat, at their address at the Condominium (or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least 15 business days prior to the giving of notice of the applicable meeting). Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail, nationally recognized overnight courier or telecopy, at least 10 business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners in the manner provided above, at least 30 days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Lack of Quorum. Subject to the terms and provisions of subsection 2.4.4, if any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote to either: (a) adjourn the meeting from time to time until a quorum exists; or (b) reconvene the meeting at a time (specified on not less than three business days' notice, by personal delivery, nationally

recognized overnight courier or telecopy, to the absent Unit Owners) when no quorum requirement shall apply.

3.6 Order of Business. The order of business at all regular meetings of Unit Owners shall be as follows:

(a) Call to order.

(b) Roll call.

(c) Proof of notice of meeting.

(d) Reading of minutes of preceding meeting.

(e) Reports of officers.

(f) Reports of members of the Board.

(g) Reports of committees.

(h) Election of inspectors of election (when so required).

(i) Election of members of the Board.

(j) Unfinished business.

(k) New business.

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust, fiduciary or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate.

3.8 Voting.

3.8.1 Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to such Secretary by the Unit Owner who had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months (except that the designation of a Permitted Mortgagee to act as the proxy of its mortgagor shall be effective until duly revoked). A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.2 If two or more persons or entities own a Unit, they shall designate one person or entity amongst them to vote the entire Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon such designors. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of

such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

3.8.3 Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.4 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units including without limitation, for each Board member to be elected.

3.8.5 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is described in terms of a percentage of a particular class of Unit Owners, as a group (e.g. x% of all Residential Unit Owners), as opposed to a percentage of all Unit Owners, such required percentage shall mean a percentage in terms of the total Common Interests attributable to the particular class of Unit Owners and not the percentage of Common Interests attributable to all Unit Owners.

3.9 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present or is not required.

3.10 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning Units to which more than 50% of the aggregate Common Interests attributable to all Units are appurtenant, shall constitute a quorum at all meetings of Unit Owners, provided that at least one representative of the Commercial Unit shall be present at such meeting by person or proxy (unless such meeting pertains solely to matters which do not affect the Commercial Unit or Commercial Unit Owner).

3.11 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, and Secretary/Treasurer thereof, all of whom shall be elected by the Board. The Board may elect more than one Vice President, or an Assistant Treasurer, or Assistant Secretary

and such additional officers as in its judgment may be desirable. Unless prohibited by applicable law, any two or more offices of the Condominium may be held by the same person. None of the officers of the Condominium need be Unit Owners or have any interest therein until the first organizational meeting of the Board, which shall be held within 90 days after the First Annual Meeting. Thereafter, the President of the Condominium must be a member of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organizational meetings thereof and at any other meeting as may be required to fill a vacancy, and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the First Board and shall hold office at the pleasure of such First Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the Board; such resignation shall take effect at the time specified and, unless specifically requested by the resigning officer, acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by these By-Laws with respect to designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a special meeting of the Board called for such purpose, at which a quorum is present or is not required pursuant to Section 2.11.2, any officer may be removed, either with or without cause, and his or her successor shall be elected.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as such President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium. From and after the first organizational meeting of the Board after the First Annual Meeting, the President of the Condominium must be a member of the Board.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President under whom he or she serves and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

4.6 Secretary/Treasurer. The Secretary/Treasurer of the Condominium shall keep the minutes of the meetings of the Unit Owners and of the Board. The Secretary/Treasurer shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. In addition, the Secretary/Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account

thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent or manager appointed by the Board) in such depositories as may from time to time be designated by such Board and shall, in general, perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice-President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. In addition to the foregoing, the Board may authorize the managing agent serving on its behalf to execute checks, provided that the expenditures, and the managing agent's paying for same, have been approved in advance by resolution of the Board or have been authorized by two officers of the Condominium.

4.8 Compensation of Officers. Except as otherwise determined by the Board, no officer shall receive any compensation for acting as such.

4.9 Liability of Officers.

4.9.1 To the extent permitted by applicable law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

4.9.2 None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of such officer.

ARTICLE 5

NOTICES

5.1 Notices. Except as otherwise provided in these By-Laws: (a) all notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person (only in the case of a notice to any officer of the Board) or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the principal

office of the Board (or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and to all Permitted Mortgagees) and a duplicate shall be sent in like manner to the Managing Agent; (b) all notices required or desired to be given hereunder to any Unit Owner shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the address of such Unit Owner at the Property or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board; and (c) all notices required or desired to be given hereunder to Permitted Mortgagees shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to their respective addresses, as may have been designated by such Permitted Mortgagees from time to time in writing to the Board. All notices shall be deemed to have been given when delivered in person (to the extent permitted herein) or three days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper, or the first business day after deposit with an overnight courier service, as the case may be, except that notices of change of address shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE CONDOMINIUM

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 The Board shall, from time to time, but at least annually, prepare or cause to be prepared a budget setting forth its projections of the costs and expenses associated with the repair, maintenance, replacement, restoration, care, upkeep and operation of, and any alteration, addition or improvement to, the Common Elements, the provision of services to Unit Owners and the business and affairs of the Condominium (the "Common Expenses") for the next fiscal year and will allocate and assess charges (such charges, together with all such other amounts denominated or payable as common charges in or under the Declaration or these By-Laws, being collectively, the "Common Charges") among (a) the Residential Units and (b) the Commercial Unit. Residential Unit Owners will be assessed Common Charges to meet the Residential Units' allocated share of Common Expenses and the Common Charges payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interest compared to the total of all Residential Units. The Commercial Unit Owner will be assessed Common Charges to meet the share of only those Common Expenses allocated to such Commercial Unit by the Board. The Commercial Unit Owner's share of Common Expenses will be limited to a share of only certain components of the Common Expenses. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof.

6.1.2 The Board may, in its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners, and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. However, a prior period's deficit may be included in Common Charges for a subsequent period or levied from a special assessment levied against all Unit Owners or Residential Unit Owners, as the case may be.

6.1.3 The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of Common Charges is made shall be computed as set forth in the By-Laws. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses can be made.

6.1.4 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2), provided that no special assessments shall be levied against the Commercial Unit Owner when the special assessment arises from an obligation to pay Common Expenses which benefit solely the Residential Unit Owners. All special assessments shall be levied against all Unit Owners (or, as applicable, all Residential Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.5 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Residential Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of all Unit Owners (in the case of any General Common Element) or the Residential Unit Owners (in the case of the Residential Limited Common Elements), and shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Building be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among (a) the Residential Units and (b) the Commercial Unit, as set forth in the footnotes to Schedule B in the Plan. The Common Charges or special assessments payable by

each Residential Unit Owner will be in proportion to such Unit's percentage Common Interests compared to the total of all Residential Units, except as indicated in Section 6.1.3 above. The Commercial Unit Owner will be assessed Common Charges or special assessments to meet the share of only those Common Expenses allocated to its respective Commercial Unit as provided in Section 6.1.1 and 6.1.2 above. The Board shall periodically, but not less than once per year, review the Common Expenses to determine whether each category of Unit Owners is paying its fair share of the Common Expenses. Such redetermination shall also be made if any Commercial Unit is subdivided, the use of the same is changed, or the owners of 50% or more in percentage Common Interests of any category of Units request such a redetermination (which request may be made periodically, but not more often than once per year). If, as a result of a regular review, a redetermination based upon changed circumstances, or a redetermination requested by Unit Owners, such Unit Owners and the Board cannot agree upon any decision or determination to be made, the same shall be submitted for arbitration in accordance with the terms of Article 11 of these By-Laws. Pending the resolution of the dispute, the Unit Owners in question shall continue to pay Common Charges upon the allocations theretofore in force, and any variation in such Common Charges based upon such resolution shall be retroactive to the date of the review, redetermination, or request for redetermination, as the case may be. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. The allocations of Common Expenses between the Residential Units and the Commercial Unit set forth in Schedule B of the Offering Plan and the footnotes thereto are deemed presumptive evidence of reasonableness. The Condominium Board may not modify such allocations without the consent of the Commercial Unit Owner.

6.2 Payment of Common Charges and Lien.

6.2.1 All Unit Owners shall be obligated to pay to the Board Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with these By-Laws) of such Unit, together with its appurtenant Common Interest, except as expressly provided herein. Any Residential Unit Owner may, subject to the terms and conditions of these By-Laws, convey its Residential Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, on behalf of all Residential Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Residential Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided that no amounts are owing under any such lien); (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Residential Unit; and (c) the Commercial Unit Owner shall not bear any additional expenses or liabilities in connection with the conveyance of such Residential Unit to the Board, or its designee. However, in no event may a Unit Owner exempt itself from liability

for Common Charges by waiving use of any of the Common Elements or by abandoning its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition thereof, except that, to the extent permitted by law, a Permitted Mortgagee acquiring title to a Unit at a foreclosure sale shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges assessed against such Unit subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by such mortgagee; the foregoing is subject to the provisions of the last sentence of subsection 6.3.1 hereof. However, in the event of a foreclosure of a Unit by a Permitted Mortgagee (whether by sale, deed in lieu of foreclosure or otherwise) or by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale actually received (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred by such Permitted Mortgagee in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale, as provided in these By-Laws.

6.2.3 Notwithstanding the provisions of subsection 6.2.1, any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Board may use, apply, or retain the whole or any part of the security so deposited to the extent required for the payment of any Common Charges or any other sum as to which Unit Owner is in default.

6.2.4 Sponsor reserves the right, in its sole and absolute discretion, to cause the Board to waive the collection of Common Charges for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual costs of operating the Building and not on estimates set forth in Schedule B – Projected Budget for First Year of Condominium Operation." The Schedule B budget will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances, the Unit Owners will remain responsible for the payment of real estate taxes. In addition, each Unit Owner shall be responsible for payment of its 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 in proportion to their respective Common Interest. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior notice to Unit Owners terminate the Waiver Period.

6.3 Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1 Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner. Such lien for Common Charges shall be subordinate only to liens for real estate taxes and, to the extent required by applicable law, to prior recorded Permitted Mortgages on such Units, which are first mortgages of record.

6.3.2 In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay: (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than 10 days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid); and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (exclusive of any "late charges" theretofore assessed on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the Board or by the Managing Agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. In addition, if the Board shall bring an action to foreclose such lien because of unpaid Common Charges, the defaulting Unit Owner shall be required to pay a reasonable fee for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and fees shall be added to and shall constitute Common Charges payable by such Unit Owner; and the lien for unpaid Common Charges shall also secure the payment of such additional sums. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges.

6.3.3 In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting on behalf of all Residential Unit Owners (in the case of a Residential Unit) or all Unit Owners (in the case of the Commercial Unit), shall have the power (but shall not be obligated) to purchase any such Unit at the foreclosure sale thereof, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant thereto). In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit, as provided in these By-Laws. Notwithstanding anything contained herein, the Commercial Unit Owner shall not, in any instance, incur additional costs, expenses or liabilities in connection with the Board's acquisition of a Residential Unit.

6.3.4 For the purposes of this subsection 6.3.4, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

(a) If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within 60 days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) If the Payments for any Unit have not been paid in full, within 60 days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has been elected by and from the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.

(c) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

(d) Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

6.4 Insurance.

6.4.1 The Board shall be required to obtain and maintain, to the extent obtainable at commercially reasonable rates, and to the extent determined by the Board to be appropriate, the following insurance: (a) property insurance with all risk extended coverage (excluding terrorism coverage), vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, improvements, decorations, appliances or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; (b) rent insurance in an amount equal to Common Charges for one year; (c) workers' compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the

Managing Agent who handle funds of any of the foregoing; (i) directors' and officers' liability coverage; and (j) such other insurance as the Board may determine from time to time. The Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in Section 6.1.1 above. Each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee, as its interest may appear, subject, however, to the loss payment provisions hereinafter set forth. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests. In the event that assessing insurance premiums on the basis of Common Interests does not substantially reflect the premium charges for actual coverage for any of the Residential Units or the Commercial Unit, and the Commercial Unit Owner and the Board fail to agree on a manner to accurately allocate the premiums, the matter shall be determined by Arbitration.

6.4.2 To the extent obtainable at commercially reasonable premiums, all fire, casualty and general liability insurance policies which the Board is required to maintain must provide that each Unit Owner is an additional insured party and contain waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including the Board, all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

6.4.3 All such policies shall provide that adjustment of loss shall be made by the Board unless the loss involves solely the Commercial Unit, in which event adjustment shall be made by the Commercial Unit Owner. Insurance proceeds with respect to any loss shall be payable to the Board or Unit Owners entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $2,500,000, shall be payable to a New York City bank or trust company designated by the Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.7. Any dispute between the Board and the Commercial Unit Owner under this subsection 6.4.2 shall be determined by Arbitration.

6.4.4 The amount of fire insurance and all risk extended coverage to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property.

6.4.5 All policies of physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of

physical damage insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing.

6.4.6 The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least $1,000,000 with respect to any occurrence, with umbrella coverage of at least $10,000,000 and at no time and in no event during this time period shall such comprehensive general liability insurance afford protection to the limit of less than such amounts. The Board shall also be required to obtain and maintain fidelity insurance covering the Board, the Managing Agent, each Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereof. The insurance required in accordance with this subsection 6.4.5 shall also cover cross-liability claims of one insured against another.

6.4.7 Any insurance maintained by the Board may provide for such deductible amounts as the Board determines.

6.4.8 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.4.9 The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to damage by fire or other casualty to any element of or property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive to his or her Unit, affording protection of at least $1,000,000 per occurrence plus at least $3,000,000 umbrella liability coverage which shall be issued by an insurance company qualified to do business in the State of New York and approved by the Board, acting reasonably; and the Board, the Managing Agent and Sponsor shall be named as additional insureds on such insurance policies. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense and the Board shall not be prohibited from carrying additional insurance; provided, however, all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit or the Common Elements appurtenant thereto shall contain a waiver of the insurer's rights of subrogation against the

Board. The liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any party is insured, or required to be insured for loss or damage to property hereunder, each party will look to its own insurance policies for recovery.

6.4.10 All policies obtained by any Unit Owner shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and shall further provide that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any additional insurance carried by any other Unit Owner and shall, to the extent obtainable, contain a waiver of the insurer's right of subrogation against the Board. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Board certificates evidencing the insurance required to be maintained by such Unit Owner hereunder. Evidence of each renewal or replacement of a policy shall be delivered by Unit Owner to the Board at least ten (10) days prior to the expiration of such policy.

6.4.11 If the fire and casualty insurance for the Building is increased because all or part of a Commercial Unit is used as a restaurant, then that Commercial Unit Owner shall pay such increased cost to the Board upon demand therefor by the Board.

6.4.12 Any insurance coverage(s) required to be obtained by the Board may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with the construction of the Building, provided the limits and terms of such policy are adequate to meet the terms and conditions set forth in this Article 6. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

6.4.13 Until payment of the debt under the mortgage securing Sponsor's Construction Loan (the "Construction Mortgage") is made in full or until such mortgage is assigned by Construction Lender to Sponsor's designee, whichever occurs first, the Board must comply with the obligations the Construction Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.5 Repair or Reconstruction after Fire or Other Casualty.

6.5.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and owners of Units representing at least 75% in number and aggregate Common Interests do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, improvements, betterments, equipment, furniture, furnishings or other personal property in any such Unit) and the Board or the Insurance Trustee (as defined in Section 12.7 below), as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If only the Commercial Unit 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 Owner will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be, in proportion to its Common Interest. Similarly, if only the Residential Units and the Residential Limited Common Elements are 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 or shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Residential Units and the Commercial Unit, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.5.1 shall be lessened by such amounts as may be required to discharge unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of priority of such liens.

6.5.2 If three-fourths or more of the Building is destroyed or substantially damaged and owners of Units representing at least 75% in number and aggregate Common Interests of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, the Building (or so much thereof as remains) will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners of each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens.

6.5.3 As used in this Section 6.5, the words "promptly resolve" shall mean not more than 60 days after the date of the damage of destruction in question occurs.

6.5.4 Any dispute between the Board and a Unit Owner under this Section 6.5 shall be settled by Arbitration (as provided in Article 11).

6.6 Maintenance and Repairs.

6.6.1 Except as otherwise provided in the Declaration or these By-Laws: (a) all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances (i) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and, with respect to the Residential Units, the interior side of entrance doors thereto, shall be made by the owner of such Unit at its sole cost and expense; provided that, except in the case of work to be done in Unsold Units or in the Commercial Unit, the Unit Owner

thereof will utilize only such contractors, workers or suppliers as are approved by the Managing Agent or Board; (ii) in or to the General Common Elements (unless caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost), shall be made by the Board and the cost and expense thereof shall be charged as a Common Expense to all Unit Owners, or (iii) in or to the Residential Limited Common Elements (unless caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost) shall be made by the Board, and the cost and expense thereof shall be charged to all Residential Unit Owners in proportion to their respective Common Interests; provided, however, that a Residential Unit Owner having use of a terrace appurtenant to a Residential Unit, including, without limitation, the terraces located at the roofs of the Building appurtenant to either of Unit TH or Unit PH3 (each a "Terrace," and collectively, "Terraces") or Yard, shall be responsible for ordinary maintenance and cleaning thereof; (b) a Unit Owner shall not be responsible for the cost of painting, decorating, maintenance, repairs or replacements on or to any Unit other than to its own Unit (and any Limited Common Elements included in or appurtenant to any such Unit), except to the extent otherwise provided herein; and (c) each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity of the Building), in each case, by the Unit Owner or the Board, whichever is responsible, under the By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating, ventilation and air conditioning units in their respective Units. Notwithstanding the foregoing, (i) each Residential Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of each Terrace and/or Yard appurtenant to its Residential Unit (including, without limitation, replacement of tiles); however, the costs and expenses of any extraordinary or structural repairs or replacements, including, without limitation, work necessary to repair any leaks, with respect to each such Terrace and/or Yard (unless caused by or attributable to a given Unit Owner, in which case such Unit Owner shall be responsible for the entire cost) shall be charged to all Residential Unit Owners as a Common Expense, and (ii) the Residential Unit Owners shall bear the entire cost of all ordinary maintenance, repairs, replacements and cleaning of each such Terrace and/or Yard as a Common Expense of the Residential Unit Owners, and (iii) the costs and expenses of all extraordinary or structural repairs or replacements with respect to the roof over the Commercial Unit (unless caused by or attributable to a given Unit Owner, in which case such Unit Owner shall be responsible for the entire cost) shall be charged to all Unit Owners as a Common Expense. The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces and/or Yard if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the roof or other portion of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on any Terrace or Yard. In no event shall any Residential Unit Owner of a Residential Unit having a Terrace and/or Yard be permitted to enclose or erect any structure on such Terrace and/or Yard. The Board may establish such other

rules and regulations it deems necessary to protect the Common Elements and the Residential Units and to insure the integrity of the Building and the health and safety of the occupants.

6.6.2 Notwithstanding the provisions of subsection 6.6.1:

(a) In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof (including, without limitation, any Unit) is necessitated by or attributable to the negligence, misuse, neglect or abuse of (i) any one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, the entire cost thereof shall be borne entirely by such Unit Owner, or (ii) the Board or its tenants, agents, invitees, licensees or guests, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in any case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

(b) Except as may otherwise be expressly provided herein, no Residential Unit Owner may install, inscribe or expose any signage on or at any window or any other part of the Common Elements. Notwithstanding the foregoing, there are no restrictions on the ability of the Commercial Unit Owner to place any signs inside the Commercial Unit, provided such signs comply with all applicable Legal Requirements. The Commercial Unit Owner and any tenant or tenants of the Commercial Unit pursuant to the terms of any lease pertaining thereto shall have the right and an easement to erect, maintain, repair and replace or cause to be erected, maintained repaired and replaced, from time to time, either within or in the immediate location of the Commercial Unit, including the exterior of the Building adjacent to the Commercial Unit and below the windows at Floor 3 and on the sidewalk adjacent to the Commercial Unit's entrance or entrances, one or more signs, flags or other protrusions which may be illuminated, including neon, flags, banners, lettering, fixtures or decorations of any size, material or content, for advertising or identification purposes. Further, the owner of the Commercial Unit and any tenant or tenants of the Commercial Units pursuant to the terms of any lease pertaining thereto, shall have an easement to erect, maintain, repair and replace or cause to be erected, maintained, repaired and replaced in the immediate location of the Commercial Unit and at portions of the exterior of the Building adjacent to the Commercial Unit, including, below the windows at Floor 3, but not to interfere with the entrance to any other Unit, (i) a canopy and/or awning for advertising or identification purposes, and (ii) and automatic teller machine ("ATM") which shall be used in conjunction with the use of the Commercial Unit. Such Unit Owner and any tenant of space in such Unit shall comply with all Legal Requirements. The Commercial Unit Owner or its tenant shall obtain and pay for all permits required for such signs, ATM, canopies and/or awnings and/or any necessary renewal fees related thereto. Additionally, notwithstanding the foregoing, Sponsor and any holder of Unsold Units and the Board shall have an easement to erect, maintain, repair and replace signs, notices, advertisements and illuminations on portions of the Property, including, without limitation, on the exterior of the Building, on or at windows and in interior public spaces of the Building (but in no event within the interior of or on the exterior of the Unit owned by any other party), for the purposes of advertising the availability of Units for sale or lease by Sponsor or its designee and/or, in the case of the Board, for any other valid business purpose.

(c) The interior and exterior glass surfaces of all windows located in any Unit (other than the Commercial Unit, with respect to which the provisions of Section 6.6 and 6.7

hereof shall apply) shall not be altered, colored or painted. The washing and cleaning of interior and exterior glass surfaces of windows in the Units shall be the responsibility of the respective Unit Owner. All windows shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior and exterior surfaces of windows located in their respective Units. Any replacement of glass windows in any Residential Unit, because of breakage or otherwise, shall be made by the Board, and charged to the Residential Unit Owners, as a Common Expense on an allocated basis (unless such breakage is caused or attributable to negligence, misuse, neglect or abuse of one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, in which event such replacement of glass windows shall be made by the Board, at the expense of such Unit Owner(s)) to the extent that the Board's insurance does not cover the same. Any replacement of glass windows in a Commercial Unit, because of breakage or otherwise, shall be promptly performed by the Commercial Unit Owner at its sole cost and expense (except to the extent the need to replace same results from the negligence, misuse or abuse of another Unit Owner or the Board.)

In the event that, under applicable Legal Requirements, any exterior windows in the Residential Units must be reduced in size or closed, the owner of the affected Unit shall solely bear the costs relating to such reduction or closure and, in the event that closure is required, such windows will be enclosed by the Board, at the sole cost of the affected Residential Unit Owner.

(d) Except as otherwise provided in Section 6.6.1, all normal maintenance, repairs and replacements of any Residential Limited Common Element appurtenant to a Unit shall be made by the Unit Owner having exclusive access thereto, at its own cost and expense; any structural or extraordinary repairs or replacements thereto (including, without limitation, leaks) shall be made by the Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Common Expense, unless due to the negligence, misuse, neglect or abuse of such Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such Unit Owner shall bear the entire cost thereof, and the same shall, for all purposes hereunder, constitute part of the Common Charges payable by such Unit Owner. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise.

(e) Each elevator exclusively serving Unit TH and Unit PH3 (and the dumbwaiter exclusively serving Unit TH) shall be deemed to be a part of Unit exclusively served by such elevator or dumbwaiter. Each Unit Owner of Unit TH and Unit PH3 shall be responsible, respectively, at its sole cost and expense, for servicing and maintaining the elevator (and dumbwaiter, in the case of Unit TH) within such Unit Owner's Unit, provided that any elevator maintenance agreements in place must be, at all times, reasonably approved by the Board.

6.6.3 Each Unit and all portions of the Common Elements shall be kept in the condition and otherwise in such manner that standards of quality and appearance are maintained which are appropriate for a luxury residential condominium project (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of

water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof under the Declaration or these By-Laws, and such Unit Owner or the Board shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building it is required to maintain under the Declaration or these By-Laws; and (b) each Unit Owner, with respect to the windows and window shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit, as well as those other areas of such Unit and its appurtenant Residential Limited Common Elements (if any) which are exposed to public view. Neither the interior nor the exterior glass surfaces of any windows in a Residential Unit may be altered, colored or painted.

6.6.4 Without limiting the generality of the other provisions of these By-Laws (including, without limitation, Section 6.6.3 hereof), the Commercial Unit Owner, at its sole cost and expense, shall:

(a) clean the interior and exterior of the windows and doors (including, in each case, the frames thereof) in the Commercial Unit and in the perimeter walls thereof whenever necessary, and clean and polish the inside and outside of the store fronts of the Commercial Unit whenever reasonably necessary;

(b) keep the Commercial Unit clean, and in a sanitary condition, keep all plumbing and sanitary systems and installations serving the Commercial Unit in a good state of repair and operating condition to the points they connect with the main vertical risers and stacks of the Building;

(c) comply with all sanitary codes, bag and remove all rubbish and other debris from the subleased premises daily between the hours of 6:00 P.M. and 8:00 A.M., keep the sidewalks in front of the Commercial Unit clean and free from any garbage, debris, or obstruction and place all garbage away from the lobby;

(d) use reasonable efforts to eliminate all noxious fumes, odors or gases originating from the Commercial Unit and vent the foregoing;

(e) utilize all reasonable measures to keep the Commercial Unit free from rats, mice, insects, and other vermin;

(f) on a daily basis, keep the sidewalks in front of the Commercial Unit clean and free of dirt, ice, snow, mud and rubbish, but the cost of all necessary repairs or replacements to the sidewalks for which the Condominium is responsible shall be a Common Charge (unless the need to make such repair or replacement is caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost);

(g) as soon as reasonably practicable after any glass (including mirrors) in the Commercial Unit and the perimeter and the demising walls thereof is broken or cracked, including a so-called "bulls eye" break in the glass, replace such glass with glass of substantially the same kind and quality as may be necessary or desirable in connection with such replacement,

repair or replace the frames for such glass and in the event the Commercial Unit Owner shall fail to so replace such glass and if necessary repair or replace such frames as aforesaid, then the Board may replace the glass, if necessary, and repair or replace such frames on the Commercial Unit's behalf and the Commercial Unit Owner shall, within ten (10) days after the Board's demand therefor, pay to the Board the costs incurred by the Board in so doing; and

(h) install, over and adjacent to the areas used for cooking or baking the proper exhaust hoods and equipment which will be equipped in an "ansul" or equal self-extinguishing fire control system, which shall be approved by the Board of Fire Underwriters for such use.

6.6.5 In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any of its obligations with respect to the maintenance, repair or replacement in or to its Unit as provided in this Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may perform or cause to be performed such maintenance, repair or replacement unless such Unit Owner, within 10 days after receiving notice of such default by the Board, (except in the event of an "emergency", i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the Property or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary service in the Building or with respect to all or any portion of the Property), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences (within such 10 day period) and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred by the Board in connection with the making of any such maintenance, repair or replacement in or to such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible as aforesaid, together with interest thereon at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.7 Alterations of Units.

6.7.1 Except as otherwise provided in the Declaration or these By-Laws:

(a) No Residential Unit Owner (other than Sponsor or its designee as the owner of Unsold Units) shall make any alterations, additions, installations, improvements, replacements or repairs (all of the foregoing being, collectively, "Alterations") in or to its Unit which affects the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems thereof), without obtaining the prior written consent of the Board thereto. Prior to, and as a condition of, the granting of its consent to the making of any such Alteration in or to a Unit, the Board, at its option, may require any Residential Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such Alteration (as defined below) may be made. Any Unit Owner seeking to perform such work requiring the consent of the Board shall be liable for all costs and expenses incurred by the Board in obtaining such consent.

(b) All repairs which would affect the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning system thereof, but excepting any system which exclusively serves the Unit in question) and all Alterations to any Residential Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board.

(c) The Board may impose fees upon any Unit Owner to reimburse the Condominium for costs incurred by the Board in connection with the review and supervision of such Unit Owner's work.

6.7.2 All Alterations by a Unit Owner shall be performed:

(a) at the Unit Owner's sole cost and expense (which shall include, without limitation, the reasonable costs of the Board incurred in reviewing and approving such Unit Owner's submission for approval (if such approval is required under these By-Laws) and in monitoring such Unit Owner's compliance with the provisions of this Section 6.7);

(b) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(c) in the case of Alterations being performed by Residential Unit Owner's only, during only such days and hours as may be specified by the Board in its reasonable judgment;

(d) only after obtaining such insurance, naming the Board, the Managing Agent and Sponsor as additional insureds, as the Board or the Managing Agent may require and indemnifying the Board, all other Unit Owners and the Managing Agent against any liability arising from the work;

(e) In the case of a Residential Unit, employing such architects, engineers, contractors, subcontractors, workers, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Board or the Managing Agent; and

(f) in compliance with the Declaration, these By-Laws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi-governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings and the boards of fire underwriters having jurisdiction thereof (all such laws, ordinances, orders, rules, regulations and requirements being sometimes hereinafter collectively referred to as "Legal Requirements"), including, without limitation, Legal Requirements relating to licensing of contractors, obtaining of all necessary governmental permits, authorization, certificate and licenses for the commencement and completion of any Alterations and obtaining of any amendment to the Certificate of Occupancy for such Unit, if necessary.

6.7.3 The Unit Owner performing, causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of: (i) any amendment of the Declaration and the floor plans of the Condominium, if required by the Board or by any applicable Legal Requirements, to reflect any such Alterations, (ii) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (copies of which shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any Alterations), and obtaining any amendment to the Certificate of Occupancy for such Unit, if necessary; provided that no work or change by or on behalf of a Residential Unit Owner will be permitted without the consent of the Board (which consent may be withheld or conditioned in the sole discretion of such Board) if such work or change would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued; and (iii) in the case of a Residential Unit, any reasonable architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit Owner making, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost or expense either: (A) in connection with the preparation, execution or submission of the applications referred to above; (B) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or permitted or caused to be made by any Unit Owner; (C) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (D) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these By-Laws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relates to Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to indemnify, defend and hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense arising therefrom, and from and against any and all loss, cost, expense (including, but not limited to, attorneys' fees and disbursements), damage, injury or liability, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing.

6.7.4 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any Unit shall, if and to the extent required by law or such department or authority, be executed by the Board, in the case of any Alteration which such party has approved (or for which its approval is not required), provided that the Board shall not incur any liability, cost or expense in connection with or by reason of executing such application.

6.7.5 Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), however, Sponsor and its designees shall each have the right pursuant (and subject) to the terms of the Declaration, without the approval of the Board: (i) to make any Alterations in or to any Unsold Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, those required under the Offering Plan, any Purchase Agreement or otherwise); and (ii) to subdivide, combine and change the boundary walls of Unsold Units. Additionally, any initial purchaser of any Unsold Unit shall have the right, without approval of the Board, to make any Alterations in or to its Unit or to exceed the load limitations for any terraces appurtenant to such Unit (as set forth in the Rules and Regulations), provided that Sponsor or its designee has consented to the same in writing at

or prior to the closing of title to such Unit (which consent may be withheld or conditioned in Sponsor's sole discretion), that such purchaser obtains all necessary approvals required by law, and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.6 In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no Residential Unit Owner shall make any Alterations in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's requirements with respect to the same. Such requirements may include, without limitation, the following:

(a) such work not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued;

(b) such Residential Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to ensure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the same with all governmental authorities having jurisdiction;

(c) such work not be commenced until such Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(d) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(e) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(f) promptly after the completion of such work, all necessary inspections and approvals of the same shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(g) such Residential Unit Owner shall indemnify, defend and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of a Legal Requirement or due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such work or the failure to timely make all appropriate governmental filings in connection with the same; and

(h) all contractors shall be duly licensed to the extent required by applicable Legal Requirements.

If any Residential Unit Owner commences any such Alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the same, Sponsor shall be entitled to cause such work by such Residential Unit Owner to be halted, including, without limitation, causing the Managing Agent to deny access to the Building to the Residential Unit Owner's workers and suppliers, until such Residential Unit Owner so complies. During the period until such Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to cause to be performed (whether by Sponsor, its designee or otherwise) any and all work in and to such Residential Unit Owner's Unit as shall be necessary, in Sponsor's or its designee's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner. The cost and expense of any such work so performed shall be borne by such Residential Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

6.7.7 Alterations to Commercial Unit. A Commercial Unit Owner may make Alterations in or to the Commercial Unit (including any decorations that are compatible with the first class character and location of the Building and installing equipment on any rooftop area but only to the extent otherwise provided in the Declaration or herein, and also including, without limitation, performing structural or nonstructural, interior or exterior (including to the façade of the Commercial Unit), ordinary or extraordinary work) provided, which, in each such case, comply with applicable Legal Requirements, without obtaining the approval of the Board, except that Alterations which would have a material and adverse effect on the structural, mechanical, electrical or plumbing elements of the Building, shall be subject to the approval of the Board, which shall not be unreasonably withheld. In the event that a dispute arises between a Commercial Unit Owner and the Board regarding any Alteration subject to the Board's approval (or which the Board asserts is subject to its approval), such dispute shall be submitted to arbitration in accordance with the terms of Article 11 of these By-Laws, provided that the parties shall cause such arbitration to proceed in an expedited manner. A Commercial Unit Owner will be granted reasonable access to all parts of the Building (other than the interior of Residential Units) to which such Commercial Unit Owner reasonably requires access in order to perform any work or alterations desired by the Commercial Unit Owner thereof and permitted or required to be made by such Commercial Unit Owner hereunder.

6.8 Alterations to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise expressly provided in these By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Limited Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $100,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for

the cost thereof pursuant to the preceding sentence, including the approval of the Commercial Unit Owner (if the Commercial Unit is liable for any portion of the cost thereof) and the approval of Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges. Any additions, alterations, or improvements costing $100,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

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

6.10 Use of Resident Storage Rooms.

6.10.1 To protect the security of the Building, any licensee of any Resident Storage Room must also at all times be the owner of a Residential Unit, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If the Board terminates a Resident Storage Room license or a Residential Unit Owner surrenders a Resident Storage Room license without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Resident Storage Room license for such Resident Storage Room upon terms and conditions determined in its sole discretion. If at any time the licensee of a Resident Storage Room sells its Residential Unit, it shall simultaneously assign its license of the Resident Storage Room to another owner of a Residential Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Resident Storage Room and take possession of the same, without compensation to the

licensee. Notwithstanding the foregoing, a licensee may assign its right to use its Resident Storage Room to a permitted tenant or occupant of such licensee's Unit, provided that such licensee shall remain liable hereunder and under the license for such Resident Storage Room, and in no event shall such tenant or occupant be permitted to further assign such rights.

6.10.2 Holders of Resident Storage Room Licenses will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot of space (as reflected in the Floor Plans) of such Resident Storage Room, which amount shall, following the fifth anniversary of the first closing of a Residential Unit ("First Closing"), be subject to annual increases based upon the Consumer Price Index in effect on the date of the First Closing. Sponsor shall not be responsible for paying the aforementioned monthly license fee for unlicensed Resident Storage Rooms.

6.10.3 A Resident Storage Room may only be used for storage purposes, or as otherwise permitted by Legal Requirements, provided that no material which poses a health or safety threat or which otherwise creates a nuisance may be stored therein. The licensee of a Resident Storage Room shall comply (and shall be solely responsible for complying) with all use restrictions imposed by Legal Requirements, including, without limitation, any restrictions imposed by the New York City Administrative Code and/or any similar set of municipal requirements in effect with respect to the Building from time to time. Sponsor reserves the right for itself and its designees to use any unlicensed Resident Storage Rooms for any lawful purpose or to change the permitted use of any unlicensed Resident Storage Rooms, subject, however, to the provisions of the Declaration.

6.10.4 Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Resident Storage Room licenses for Resident Storage Rooms and to retain the proceeds thereof.

6.11 Use of Common Elements; Use of Adjacent Sidewalks.

6.11.1 Except as otherwise provided herein or in the Declaration, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.11.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.11.3 The Owner or Owners of any one or more Residential Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable law and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretions and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the

Common Elements as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that notwithstanding the provisions of Subsection 6.1 hereof, such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.11.4 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the fifth (5th) Anniversary of the First Closing, to use portions of the Residential Limited Common Elements, without charge, for exhibitions or for other promotional functions with respect to Sponsor's sales program or otherwise.

6.11.5 The Commercial Unit Owner and any tenant or tenants thereof pursuant to the terms of any lease pertaining to the Commercial Unit, shall have the right to use all or any portion of the sidewalks, including, but not limited to, any plantings and/or planters located thereon, which are directly in front of the Commercial Unit for any lawful purpose and in conjunction with the use of the Commercial Unit.

6.11.6 The Commercial Unit Owner shall not:

(a) permit its or its occupants' respective employees, agents, heirs, distributees, executors administrators, legal representatives, successors, and assigns, to enter or use the Building's lobby or other public areas of the Building (other than pursuant to a written agreement with the Condominium), nor have access or use of any kind of the Building's elevators, except in an emergency.

(b) except in an emergency, permit, bring into, or have delivered from the street, any deliveries whatsoever, to the Commercial Unit through the lobby of the Building; and all deliveries of any kind on behalf of a Commercial Unit Owner or any other occupant of a Commercial Unit, shall be made through the separate Commercial Unit entrances.

6.12 Right of Access.

6.12.1 Each Unit Owner grants a right of access to its Unit to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, for the purposes, among others, of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and having a reasonable likelihood of causing damage to another Unit or all or any part of the Common Elements; performing maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building;

reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit; provided that (a) requests for entry to any Unit are made not less than one day in advance and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by tenants and occupants of the Commercial Unit or with the use of the other Units for their permitted purposes. In case of an "emergency", as defined in subsection 6.6.4, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner or tenant is present.

6.12.2 Each Unit Owner grants a right of access to its Unit and, in the case of a Residential Unit, any Residential Limited Common Elements appurtenant thereto, and the Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of complying with and fulfilling each such party's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised by such party, with respect to any Unit or Residential Limited Common Element, in such a manner as will not unreasonably interfere with the use of the Unit or Residential Limited Common Element for its or their permitted purposes.

6.13 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Residential Units and Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that (a) a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition; and (b) no such adoption, modification, amendment or addition affecting Sponsor or the Unsold Units may be made unless agreed to, in writing, by Sponsor or its designee. The Rules and Regulations shall not be applicable to or binding upon the Commercial Unit Owner or the occupants of the Commercial Unit. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto shall be furnished by the Board to each Residential Unit Owner not less than 30 days prior to the effective date thereof.

6.14 Real Estate Taxes, Water and Sewer Services.

6.14.1 Water and sewer services for the Building shall be supplied by the City of New York or other utilities servicing the Property. Unless and until water charges and sewer rents are billed directly to Residential Unit Owners by the proper authority, the Board shall promptly pay such charges, together with all related sewer rents arising therefrom, and allocate such costs as a Common Expense among the Residential Unit Owners, as reasonably determined by the Board, based on estimated usage, and the Residential Unit Owners shall be required to reimburse the Board, as a Common Charge, for their share of such charges and rents. The water for the Commercial Unit will be separately metered and paid by the Unit Owner of such Commercial Unit.

6.14.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units on the basis of percentage interest as set forth in Schedule A. Each Unit Owner will then reimburse the Board for his or her allocated share. Such

reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense.

6.14.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.14.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Residential Units on behalf of and as agent for the respective Residential Unit Owners thereof, but only with respect to such Residential Units as to which the respective Unit Owners thereof have indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Residential Unit Owners will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.15 Electricity. Electricity for each Unit shall be billed through separate electric meters. Each Unit Owner shall be required to pay bills for electricity consumed or used in its Unit directly to the utility company. Consumption with respect to the Common Elements will be determined by a separate meter and allocated by the Board among the Units or the Residential Units, as applicable, on the basis of percentage of Common Interest.

6.16 Gas. Gas for the Building shall be supplied and billed through one or more gas meter(s). The gas for the Commercial Unit will be submetered and paid by the Unit Owner of such Commercial Unit. The charges for any other gas utilized at the Building shall be paid by the Board as a Common Expense and allocated among the Residential Units on the basis of percentage of Common Interests.

6.17 Dispute as to Utilities Charges. In the event that there is a dispute as to the accuracy of assessing the charges for a utility upon the basis of usage, and the disputing Unit Owners and/or the Board fail to agree on a manner to accurately allocate such costs, the matter shall be determined by Arbitration.

6.18 Remedies for Violations of By-Laws or Rules and Regulations by Unit Owners.

6.18.1 The violation of any of the Rules and Regulations (as they apply to the Residential Units) or the breach of any By-Law contained herein, or the breach of any provision

of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws or the Declaration, (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the Board gives the Unit Owner notice (which may be by telephone or telegram) that such violation exists, that repairs or replacements are necessary and that the Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.18.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations (as they apply to the Residential Units) or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.18 Use of Commercial Unit. The Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial or office purposes. The Commercial Unit may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. No income derived from any use of the Commercial Unit will constitute income to the Board or the Residential Unit Owners.

ARTICLE 7

MORTGAGES

7.1 Notice to Board. Each Unit Owner shall have the right to mortgage its Unit, subject only to the terms and conditions set forth in this Article 7. A Residential Unit Owner who mortgages its Unit owned by such Unit Owner, or the holder of such mortgage, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit, other than Permitted Mortgages. A Residential Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. A Commercial Unit Owner may mortgage its Unit(s) without any restriction or limitation.

7.2 Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee of a Unit, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under any of the provisions of the Declaration or these By-Laws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any Permitted Mortgagee thereof, if so

requested in writing by such Permitted Mortgagee; however, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by its mortgagor, provided that the Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure.

7.3 Performance by Permitted Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any Permitted Mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than once a month.

7.5 Representatives of Mortgagees.

7.5.1 The holders of Institutional Mortgages constituting a majority of the outstanding principal amount of all Institutional Mortgages encumbering the Residential Units may, at their election, designate in writing to the Board one or more (but not more than three) representatives ("Residential Mortgagee Representatives"), which Residential Mortgagee Representatives shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the Residential Units with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. The holders of Institutional Mortgages encumbering the Commercial Unit may, at their election, designate in writing to the Board the holder of the highest mortgage encumbering a Commercial Unit, or its designee, corporate or otherwise, as their representative (the "Commercial Mortgagee Representative"), which Commercial Mortgagee Representative shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the Commercial Unit with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential Mortgagee Representatives or the Commercial Mortgagee Representative are so designated and notice thereof is given to the Board, the act of any such Representative (or a majority of such Representatives, if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages encumbering the Residential Units or the Commercial Unit, respectively. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units, (a) which is a Permitted Mortgage or a mortgage encumbering a Unit then owned by Sponsor or its designee, and (b) the initial holder of which is (i) Sponsor or its designee, (ii) a savings bank, savings and loan association, bank, trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a Federal, state, municipal, teachers', union or corporate employee, welfare, pension or retirement fund or system. The Residential Mortgagee Representatives and Commercial Mortgagee Representatives are sometimes referred to collectively herein as the "Mortgage Representatives."

7.5.2 Any designation of a Residential Mortgagee Representative or Commercial Mortgagee Representative shall remain effective until a subsequent designation is made pursuant to the provisions hereof and notice of such subsequent designation is given to the Board.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any Mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Sales and Leases of Units. No Unit Owner (other than Sponsor or its designee) may sell or lease its Unit except by complying with the provisions of this Article 8 (as applicable) and, with respect to Residential Unit Owners, specifically, this Section 8.1. Subject to the terms of Section 8.7 hereof, each Residential Unit Owner may sell its Residential Unit or lease its Residential Unit for terms of one year or more only (or for such other period of time as may be determined by the Unit Owners pursuant to an amendment of this provision in accordance with Section 13.1).

8.1.1 Subject to the terms of Section 8.8, any contract to sell a Residential Unit, together with its appurtenant Common Interest, or any lease of a Residential Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision: "This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of 33 East 74th Street Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of the By-Laws of 33 East 74th Street Condominium." (The Residential Unit Owner who has entered into a Sale Agreement or Lease is herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror.")

(a) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable courier providing overnight delivery; such notice shall be accompanied by a fully completed application package, which the Offeree Unit Owner shall obtain from the Managing Agent, together with a fully executed duplicate original of the Sale Agreement or Lease and any and all related agreements, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its Residential Unit, together with its appurtenant Common Interest, or to lease its Residential Unit, as the case may be, to the Board, or its designee, (as the representative of all Residential Unit Owners), upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board (as the representative of all Residential Unit Owners), that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall promptly submit in writing such further information with respect thereto as the Board may reasonably request. Not later than 20 days after receipt of such information, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by nationally recognized overnight courier, to such Offeree Unit Owner before the expiration of such 20 day period either to purchase such Unit, together with its appurtenant Common Interest, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all

Residential Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease, as such terms and conditions may be modified or supplemented by any additional information provided by the Offeree Unit Owner in response to the Board's requests for information as provided above.

8.1.2 If the Board shall timely elect to purchase such Residential Unit, together with its appurtenant Common Interest, or to lease such Residential Unit, as the case may be, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within 60 days after the giving of notice by the Board of its election to accept such offer. However, if the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than 60 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease that are required to be performed by the Outside Offeror (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Residential Unit and assume or take title to the Residential Unit (on behalf of all Residential Unit Owners only) subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the Board, or its designee, as the representative of all Residential Unit Owners only, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, as tenant, covering such Residential Unit, for the rental and term contained in the Lease. Notwithstanding anything contained herein to the contrary, any election made by the Board to purchase or lease a Residential Unit pursuant to the terms of this Article 8.1 shall be made solely on behalf of the Residential Unit Owners and the Commercial Unit Owner shall not bear any cost, expense or liability in connection with the Board's election.

8.1.3 If the Board or its designee shall fail to accept such offer within 20 days after receipt of notice and all other documents and information to be provided under this Article 8, or waives such election in writing within such 20 day period, the Offeree Unit Owner shall have until (a) an additional 60 days after the earlier of (i) the expiration of such 20 day period or (ii) the Board's waiver in writing by the Board or (b) such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such 60 day period (or by such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable), so consummate the transaction, or should the terms of the Sale Agreement

or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these By-Laws and the Rules and Regulations, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5 Any Lease to an Outside Offeror shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of: (i) a default by the tenant in the performance of its obligations under such Lease or a default by or caused by such tenant under any of the provisions of these By-Laws; or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York, the Declaration, these By-Laws or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to the Declaration, these By-Laws and the Rules and Regulations.

8.1.6 Except as hereinbefore set forth, the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7 If an Offeree Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock or if an Offeree Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case, other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board, as described in this Section 8.1.

8.1.8 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case may be, in the name of such Unit Owner as the purported seller or landlord, as the case may be. Such Unit Owner shall reimburse the Board for all expenses (including, without limitation, attorneys' fees and expenses) incurred in connection with such proceedings, promptly upon demand therefor. In no event shall any purported sale or lease of a Unit in violation of this Section 8.1 release the Unit Owner who is

the purported seller or lessor, as the case may be, from any of its obligations under the Declaration or these By-Laws, whether or not such sale or lease is voided by the Board.

8.1.9 If the Board exercises its right of first refusal to purchase or to lease pursuant to Section 8, the Offeree Unit Owner shall have the right to proceed with sale or lease to the Board, or alternately, shall have the right to withdraw the Sale Agreement or Lease, as applicable, as presented to the Board. The Offeree Unit Owner must notify the Board of any such withdrawal within five (5) days of the Offeree Unit Owner's receipt of notice of the Board's exercise of its right of first refusal.

8.2 Consent of Unit Owners to Purchase or Lease of Residential Units by Board. Subject to the remaining provisions of these By-Laws and the Declaration, the Board may exercise any option hereinabove set forth to purchase or lease any Residential Unit. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners.

The Board, in its sole discretion and without the approval of the Unit Owners, may obtain and close on mortgage loan financing in such amount as it determines, subject to limitations hereafter set forth, to finance the purchase of any Residential Unit as to which the Board exercises its right of first refusal pursuant to Section 8.1, provided that: (i) such mortgage is secured by a first lien on the Residential Unit being purchased, and (ii) the principal amount of such mortgage does not exceed the purchase price for the Residential Unit plus the amount of closing costs incurred by the Board in connection with such purchase and related mortgage financing.

As to any purchase of a Residential Unit by the Board, and related mortgage loan financing, pursuant to the exercise by the Board of its right of first refusal under Section 8.1: (i) the Board shall be required to comply with all terms related to financing of purchase of such Residential Unit as are contained in the Sale Agreement for such Residential Unit as negotiated by the Residential Unit Owner and as presented to the Board pursuant to Section 8.1, and (ii) the Board shall be required to close on its purchase of such Residential Unit within sixty (60) days of the date set for closing in such Sale Agreement or 60 days of date of notification of exercise of right of first refusal, whichever is later.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this

Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Residential Unit, such Residential Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section 8.1 hereof, subject to the provisions of subsection 8.1.3. The Board may establish reasonable fees for its consideration of any right of first refusal, which fees shall be payable by the selling or leasing Residential Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of Section 8.1 have been satisfied by a Residential Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

8.6 Financing of Purchase, or Refinancing, of Units by Board. The purchase of any Residential Unit together with its appurtenant Common Interest, by the Board or its designee, on behalf of all Residential Unit Owners, may, at the option of the Board, be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Residential Unit Owners. The Board may levy an assessment against each Residential Unit Owner, in proportion to its respective Common Interest, as an additional Common Charge, and/or the Board, in its discretion, may finance the acquisition of such Residential Unit and subsequently refinance such Residential Unit (on such terms and in such amount(s) as the Board determines); provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property (except to the extent permitted by law) other than the Residential Unit to be purchased or refinanced, as the case may be, together with its appurtenant Common Interest. Notwithstanding anything contained herein, the Commercial Unit Owner shall not under any circumstances bear any costs, expenses, or liabilities as a result of the purchase of any Residential Unit by the Board or its designee hereunder.

8.7 Exceptions. In addition to any other exceptions hereinbefore set forth, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Commercial Unit, together with its appurtenant Common Interest. Further, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Residential Unit, together with its appurtenant Common Interest, by: (a) the Residential Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (an "affiliate" being defined as for purposes hereof as a person or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns 50% or more of the legal and beneficial interest) of the Residential Unit Owner thereof or the owner of any controlling interest in a

Residential Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor or its designee with respect to Unsold Units; (c) the Board; (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or (e) a Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its Unit shall be subject to, all of the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to the assignment of any Resident Storage Room license, subject to the other restrictions with respect to the ownership of any Resident Storage Room license set forth in these By-Laws, nor shall they apply to any lease, sale or conveyance of a Residential Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or sale in lieu of same.

8.8 Gifts, Devises and Intestate Transfers. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of 8.1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 8.

8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

8.10 Payment of Assessments. No Unit Owner shall be permitted to sell, convey, mortgage, pledge, hypothecate or lease its Unit unless and until it shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against its Units, other than Permitted Mortgages. Each Unit Owner shall notify the Managing Agent at least five business days prior to the closing of any of the aforementioned transactions for confirmation of any unpaid amounts.

8.11 Sales and Leases of the Commercial Unit. Subject to the Commercial Unit Owner's compliance with Article 8.3 hereof, there shall be no restrictions on the rights of the Commercial Unit Owner to sell or lease the Commercial Unit, provided that any deed or lease to such Unit shall expressly state that the acceptance thereof by the grantee or tenant, as applicable, shall constitute an assumption of all of the provisions of the Declaration and these By-Laws, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.13 Mortgage of Units. Subject to Article 7 and Section 8.10, each Unit Owner shall have the right to mortgage its Unit without restriction.

ARTICLE 9

CONDEMNATION

9.1 In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such taking. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $2,500,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.7 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be: (a) borne and shared by all Unit Owners with respect to any taking of General Common Elements pro rata in accordance with their respective Common Interests percentages; and (b) borne and shared by all Residential Unit Owners with respect to any taking of the Residential Limited Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if 75% or more of the Residential Limited Common Elements and/or General Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless owners of Units representing at least 75% in number and aggregate Common Interests of all affected Unit Owners (including Sponsor or its designee, if they 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 repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any condemnation awards shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The Board (or the Managing Agent) shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant or an independent certified public accounting firm, shall be submitted by the Board to all Unit Owners, and to all Permitted Mortgagees of Units, who have requested the same in writing. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours and upon reasonable prior notice.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Except as may otherwise be expressly provided in these By-Laws or the Declaration, any arbitration provided for in these By-Laws or the Declaration ("Arbitration") shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction; provided that, in the case of Arbitration of issues arising under Section 6.4 and 6.5, any arbitrator shall be a real estate professional, having 10 or more years of experience in the field of Manhattan residential real property. Notwithstanding the foregoing, any Arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any Arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within 10 days after his or her appointment.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the Arbitration or, if the position of neither party to a dispute shall be

substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the parties to the dispute. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. Subject to the foregoing, all costs and expenses paid or incurred by the Board in connection with any Arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Consents. Wherever the consent, approval or satisfaction of Sponsor or its designee is required under these By-Laws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Units.

12.2 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

12.3 Captions. The index hereof and captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.4 Conflict. In the event the provisions of these By-Laws or the provisions of the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Certain References.

12.5.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.5.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these By-Laws in their entirety and not to the particular provision in which the terms are used.

12.5.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, subparagraphs or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.5.4 Unless otherwise expressly stated herein to the contrary, all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the date of initial recording of this Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

12.6 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

12.7 Insurance Trustee. The Insurance Trustee shall be a bank or trust company having an office located in the City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a commercial bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more, subject to increase by the CPI Increase Factor. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

12.8 Successors and Assigns. The rights and obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the express consent of Sponsor or its designee, any transferee of two or more of the then Unsold Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

12.9 Covenant of Further Assurances.

12.9.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.9.2 If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action which such Unit Owner or other party is required to perform pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, on behalf of such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

ARTICLE 13

AMENDMENTS TO BY-LAWS

13.1 Amendments by Unit Owners.

13.1.1 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Units, or the Commercial Unit or the Commercial Unit Owner: (a) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration or these By-Laws affecting only the Commercial Unit or the Commercial Unit Owner may be amended, modified, added to or deleted by the affirmative vote of the Commercial Unit Owner (or of 66-2/3% in number and in Common Interest of the Commercial Unit Owners if there ever shall be more than one Commercial Unit Owner as a result of a subdivision of the Commercial Unit); provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Mortgagee Representative, if any; (c) any provision of the Declaration, these By-Laws affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the Commercial Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Units, or the Commercial Unit or the Commercial Unit Owner, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Residential Unit Owners, the Commercial Unit Owner or all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated

by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded.

13.2 Amendments Affecting Sponsor or its Designee.

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

13.2.2 If the number of rooms in an Unsold Unit is changed, or the size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with Article 9 of the Declaration, then Sponsor or its designee shall have the right to execute, or (upon its request) to require any other Residential Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Board, any other Unit Owners or the Residential Mortgagee Representative(s), if any, or Commercial Mortgagee Representative(s), if any.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of Sections 6.1, 6.2.2 or 6.4, Article 7, or clauses (d) and (e) and the second sentence of Section 8.7 of these By-Laws shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

13.4 Amendments Affecting Commercial Unit.

13.4.1 If the number of rooms, the layout or the size of one or more Commercial Unit(s) is changed and/or the percentage interest in the Common Elements appurtenant to such Commercial Unit(s) is reapportioned (whether as a result of a subdivision or combination of such Commercial Unit(s) or the alteration of boundary walls between such Commercial Unit, or otherwise) among any newly created or constituted Commercial Unit as a result thereof, then the Unit Owner(s) of such Commercial Unit(s) shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as such Commercial Unit Owner(s) deems appropriate to effectuate the same) reflecting such change in the number of rooms, the layout or the size of such Commercial Unit(s)

and/or the subdivision or combination of Commercial Unit and the reapportionment of the percentage interests in the Common Elements among such newly created or constituted Commercial Units, all without the approval of the Board, any other Unit Owners or the Residential or Commercial Mortgagee Representatives, if any.

13.4.2 Notwithstanding the foregoing, none of the Declaration, these By-Laws or the Rules and Regulations may be amended, modified or terminated in any manner which adversely affects a Commercial Unit or a Commercial Unit Owner without the consent of the affected Commercial Unit Owner.

13.5 Deemed Approval Provision. Notwithstanding anything to the contrary contained herein, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, these By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within ten (10) Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The provisions of this Section 13.5 shall not apply to notices given to Sponsor or any other holder of Unsold Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

13.6 Consents of Sponsor and/or the Commercial Unit Owner. The provisions of: (a) this Article 13 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee; and (b) Section 13.4.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owner.

EXHIBIT A

RULES AND REGULATIONS OF 33 EAST 74th STREET CONDOMINIUM

1. The entrances, passages, public halls, Residential Passenger Elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose by Residential Unit Owners and their invitees other than the respective purposes for which they were intended. There shall be no blocking of entranceways, passageways or vestibules, and no waiting or loitering in the lobby and no double parking of limousines, trucks or cars in the front of the Building.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire landings of the Building nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of any Residential Units of the Building.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, lobbies, Residential Passenger Elevators, vestibules, corridors, or fire landings of or serving the Building.

4. No public hall or Residential Passenger Elevator vestibule of the Building shall be decorated or furnished by any Residential Unit Owner in any manner, except as otherwise expressly provided in the By-Laws.

5. Each Residential Unit Owner shall keep his or her Residential Unit (and any Residential Limited Common Element appurtenant thereto) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. No window guards or other window decorations shall be used in or about any Residential Unit, unless otherwise required by applicable Legal Requirements and as approved by the Board. However, each Residential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window guards installed in the Unit and shall not remove the same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent.

7. No radio, television or other aerial, satellite dish, disk or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of any Residential Unit or anywhere in or on the Building, except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Board or the Managing Agent; nor shall anything be projected from any window of any Residential Unit.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board; and no "window" air-conditioners of any kind shall be permitted.

9. All radio, television or other electrical or electronic equipment of any kind installed or used in any Residential Unit shall comply with all rules, regulations, requirements and recommendations of the New York Board of Fire Underwriters and governmental or public authorities having jurisdiction, and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical or electronic equipment in such Residential Unit Owner's Unit.

10. No mopeds, motorcycles, bicycles, scooters or similar vehicles shall be taken into or from the Building through the main Building entrance or be allowed in the lobby or in the Residential Passenger Elevators, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, vestibules, corridors or other public areas of the Building. The service entrance is the only means by which bicycles should be transported in and out of the Building. Residential Unit Owners or occupants of a Residential Unit (including children) will be subject to a fine of $100 per person each time that they or their guests are found in the lobby with a bicycle, scooter or tricycle or wearing rollerblades.

11. No Residential Unit Owner shall make or permit any disturbing or objectionable noises, odors or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Residential Unit Owners or their tenants or occupants. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph, stereo system, or radio or television set or other loudspeaker in such Residential Unit Owner's Unit between midnight and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction 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 4:00 P.M., unless such construction or repair work is necessitated by an emergency or is being performed by or on behalf of the owner of any Unsold Units, by Sponsor or its designee, or by the Commercial Unit Owner.

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 unless the Board or the Managing Agent in each instance has expressly consented in writing. Such consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time, with or without cause. Notwithstanding the foregoing, a Residential Unit Owner may keep as pets in his or her Unit not more than two domestic dogs, domestic cats, caged birds and fish, provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one week after notice from the Managing Agent. In no event shall a pet be permitted in any Residential Unit without the prior written consent of the Board (which may be granted or denied in the sole discretion of the Board), nor shall any bird, reptile, or animal be permitted in any Residential

Passenger Elevators in the Building, other than the Residential Passenger Elevators designated by the Board or the Managing Agent of the Building for that purpose, or in any of the public portions of the Building, unless carried or on a leash. Any Residential Unit Owner in the public portions of the Building with an animal that is unleashed and not carried shall be fined $100. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Residential Unit Owner who keeps (or permits to be kept) any type of pet in such Residential Unit Owner's Unit may be required to enter into an agreement with the Board, which agreement may set forth such other rules regarding pets as the Board shall deem suitable and require the Residential Unit Owner to indemnify, defend and hold harmless the Building, the Board, all Unit Owners and the Managing Agent of the Building from all claims and expenses resulting from the acts or presence of such pet.

13. Service personnel, messengers and tradespeople visiting or residing in the Building may be required to use the service elevator, if any, for ingress and egress, and, in such case, shall not use the main passenger elevator(s) for any purpose, except that nurses in the employ of Residential Unit Owners or their guests or tenants may use the main passengers elevator(s) when accompanying the Residential Unit Owner, guest or tenant.

14. All service and delivery persons will be required to use the service entrances to the Building, if any. All packages, including, without limitation, those containing perishable items, delivered to Residential Units by outside personnel must be delivered to the area therefor designated by the Board or the Managing Agent. Deliveries will be made from such area to individual Residential Units only by Building personnel as otherwise directed by Building personnel. Such deliveries will be made only at such times as a Residential 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 occupied or delivery is declined, the package will be held in the designated area until the resident or authorized person returns or requests delivery, except in the case of perishable items which will be held in the designated area for no longer than 24 hours. After said 24-hour period, the perishable item shall be disposed of by Building personnel. Building personnel will not be responsible for packages held in the package room for more than 72 hours. No large deliveries will be accepted for a Residential Unit Owner (or occupant of a Residential Unit) unless such Unit Owner (or occupant) has made prior arrangements with the Building staff.

15. Trunks and heavy baggage shall be taken in or out of the Building by the service elevator, if any, and through the service entrance, if any, only.

16. No refuse shall be removed from the Residential Units except at such times and in such manner as the Board or the Managing Agent may direct.

17. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Owner of such Residential Unit.

18. No occupant of the Building shall send any employee of the Building or of the Managing Agent out of the Building on any private business.

19. The agents of the Board or the Managing Agent, and any contractor or worker authorized by the Board or the Managing Agent and accompanied by an agent of the Board or the Managing Agent, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

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

21. The Board or the Managing Agent shall retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to his or her Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws or Declaration, and the Residential Unit Owner has not furnished a key to the Board or the Managing Agent, then the Board or the Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an officer of the Managing Agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (provided that during such entry reasonable care is given to the Residential Unit Owner's property).

22. Complaints regarding Building services shall be made in writing to the Board or to the Managing Agent.

23. No Residential Unit Owner or any of his or her agents, servants, employees, licensees or visitors shall at any time bring into or keep in such Residential Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance.

24. If any key or keys are given or lent by a Residential Unit Owner or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium or of the Managing Agent, whether for such Residential Unit Owner's Unit, automobile, trunk or other item of personal property, the use of the key shall be at the sole risk of such Residential Unit Owner, and neither the Board nor the Managing Agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. Nothing shall be done or kept in any Residential Unit which would increase the rate of insurance of the Building or contents thereof, without the prior written consent of the Board. No Residential Unit Owner shall permit anything to be done or kept in his or her

Residential Unit which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

26. Residential Unit Owners shall comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to recycling of waste and refuse, including, without limitation, the separation of trash into "recyclable" and "non-recyclable" materials and/or categories of each of same. The Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Residential Unit Owners for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Board may also establish other rules and regulations regarding the recycling and disposal of trash. Any costs incurred by the Board to enforce the rules and regulations of the Board or the requirements of applicable law regarding the recycling of trash against a Residential Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the Residential Unit Owner as additional Common Charges. Residential Unit Owners will comply with the following procedures with respect to the disposal of refuse: (a) wrap dust, flour and powdered waste before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the designated refuse area; (d) crush into tight bundles all loose papers before placing the same in the designated refuse area; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive or otherwise hazardous nature therein. Any refuse not disposable by depositing same in the designated refuse area must be picked up directly from the Residential Unit by Building personnel at such times and in such manner as the Board or the Managing Agent shall determine.

27. Residential Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority, including without limitation, those with respect to window guards and notices of emergency access and egress.

28. Except as otherwise expressly provided in the By-Laws and the Declaration, Residential Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

29. The Board shall have the right from time to time to relocate any portion of the Common Elements used by the Building for storage or service purposes.

30. All firearms are banned from the Building. No Residential Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall at any time have or harbor firearms while in the Building, except as approved by the Board.

31. No Residential Unit Owner, tenant or occupant of a Residential Unit shall conduct any group tour, exhibition or open house of any Residential Unit or its contents or any auction sale in any Residential Unit, without the prior consent of the Board or the Managing Agent.

32. In the event that any Residential Unit is used for home occupation purposes or other purposes which are permitted by law or court order, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

33. Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Board, at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

34. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, the Building or the preservation of good order therein, or the operation or maintenance of the Condominium, the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other Unit Owner or other occupant.

35. Notwithstanding any references to "Unit Owner" or "Residential Unit Owner" in these Rules and Regulations, the Rules and Regulations of the Condominium shall be binding upon all tenants, guests and other occupants of the Residential Units of the Condominium. Residential Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Rules and Regulations by members of their families, guests, invitees, tenants, employees, agents, visitors and any other occupants of their Residential Units.

36. Purchasers are advised that, with respect to any Residential Unit to which there is a Terrace or Yard appurtenant, the following rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof; any planting/landscaping must comply with all Legal Requirements. Unless the Board otherwise consents thereto in writing, which consent may be withheld in the Board's sole and absolute discretion, with respect to Terraces at Unit TH and Unit PH3 only, plants may not exceed the total weight allowance of 60 pounds/square foot load and 150 pounds/square foot load at all other Residential Unit Terraces, and must be planted in water-proof containers so as not to cause water leakage. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Terraces and Yards must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the Terrace or Yard walls or railing, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Terrace or Yard wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace or Yard; any appropriate furniture including tables, chair cushions and umbrellas may be left on the Terraces or Yard only if properly secured. No items can be placed on the Terrace or Yard parapet wall and/or railing. In no event shall any Unit Owner be permitted to enclose any Terrace or Yard (except to the extent that such Terrace or Yard was enclosed by Sponsor) or erect any structure on any Terrace or Yard. No portion of any Terrace or Yard may be painted,

cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Terrace or Yard. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Terrace or Yard. No unattended animals, which include but are not limited to dogs, cats, or birds, are allowed on any Terrace or Yard.

37. There will be no barbecuing in the Residential Units or in the Common Elements (including, without limitation, the Residential Limited Common Elements).

38. With respect to any lease (and lease renewal) which, pursuant to the Bylaws, is subject to the Board's review and right of first refusal, the fee for any such lease (or renewal of a lease) is $300, payable to the Managing Agent. Any such Residential Unit Owner that has entered into or renewed a lease with a tenant and has not submitted the lease (or lease renewal) to the Managing Agent will have 30 days from the date notified by the Managing Agent to submit the lease or the renewal. In the event that any such Residential Unit Owner does not submit such lease or lease renewal to the Board within such 30 day period, such Residential Unit Owner shall be subject to a $500 fine and further action by the Board.

39. Unless expressly authorized by the Board in each case, at least eighty percent (80%) of the floor area of each Residential Unit that is directly above another Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

40. The Bicycle Storage located in the sub-cellar of the Building will contain bicycle storage for approximately eight (8) bicycles for the exclusive use of the residents at no additional charge, on a first-come, first-served basis, provided however, that no Residential Unit Owner or tenant thereof may store more than one bicycle in the Bicycle Storage area at any given time.

EXHIBIT 8
CERTIFICATIONS

8A Sponsor and Principals

8B Sponsor's Engineer (or Architect)

8C Sponsor's Expert Concerning
Adequacy of Budget

8D Sponsor's Expert Concerning
Adequacy of Common Charges
Payable by the Commercial Unit
Owner

EXHIBIT A-1

JZS MADISON, LLC
780 West End Avenue, 1E
New York, New York 10025

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO SECTION 20.4(b) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

February 12, 2013

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 33 East 74th Street Condominium
33 East 74th Street
New York, New York 10021

The undersigned certify as follows:

We are the sponsor and the principals of the sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for complying with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

1. set forth the detailed terms of the transaction and be complete, current and accurate;

2. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

3. not omit any material fact;

4. not contain any untrue statement of a material fact;

5. not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

6. not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

7. not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

JZS MADISON, LLC

By: _____
Name: Daniel E. Straus
Title: Authorized Signatory

Sworn to before me this
12th day of February, 2013

_____
Notary Public
JACQUELINE ELISBERG
Notary Public of New Jersey
I.D. #2356427
Commission Expires 2/26/2017

_____
Daniel E. Straus

Sworn to before me this
12th day of February, 2013

_____
Notary Public
JACQUELINE ELISBERG
Notary Public of New Jersey
I.D. #2356427
Commission Expires 2/26/2017

EXHIBIT A-2

Beyer
Blinder
Belle
Architects & Planners LLP

BEYER BLINDER BELLE ARCHITECTS & PLANNERS LLP
41 East 11th Street
New York, NY 10003

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20.4(c) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

November 13, 2013

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 33 EAST 74TH STREET CONDOMINIUM
33 East 74th Street
New York, New York 10021

The undersigned, a licensed architect in the State of New York, hereby certifies as follows:

The sponsor of the condominium offering plan for the captioned property (the "Property") retained our firm to prepare a report describing the condition of the Property when rehabilitated and constructed (the "Report"). We have inspected the Property and examined the building plans and specifications, dated as of January 18, 2013, that were prepared by Beyer Blinder Belle Architects and Planners LLP that were submitted on February 4, 2013 to the Department of Buildings and prepared the Report, dated as of October 4, 2013, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

41 East 11th Street
New York, NY 10003
212 777 7800
212 475 7424 fax
www.beyerblinderbelle.com

Beyer Blinder Belle
Architects & Planners LLP

We certify that the Report:

(i) sets forth in detail the condition of the entire Property as it will exist upon completion of the rehabilitation and construction, provided the rehabilitation and construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the Property as it will exist upon completion of the rehabilitation and construction, provided that the rehabilitation and 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 the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the Property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the Property.

BEYER BLINDER BELLE ARCHITECTS & PLANNERS LLP

By: _____
Name:
Title:

REGISTERED ARCHITECT * RICHARD J. METSKY * No. 018928-1 * STATE OF NEW YORK *

Sworn to before me this
13 day of November, 2013

_____
Notary Public

JEANNE CUMMINGS
Notary Public, State of New York
No. 31-4996235
Qualified in New York County
Commission Expires May 11, 2014

EXHIBIT A-3

DOUGLAS ELLIMAN PROPERTY MANAGEMENT
675 Third Avenue
New York, NY 10017

CERTIFICATION OF SPONSOR'S EXPERT
ON ADEQUACY OF CONDOMINIUM BUDGET PURSUANT TO
SECTION 20.4(d) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

October 28, 2013

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 33 East 74th Street Condominium
33 East 74th Street
New York, New York 10021

The undersigned, Douglas Elliman Property Management, is a licensed real estate brokerage firm in the State of New York. Douglas Elliman Property Management has been engaged in the management of over 350 condominium, cooperative and residential rental properties over the course of the past 50 years.

The sponsor of the condominium offering plan for the above captioned property retained us to review Schedule B (together with the notes thereto, the "Schedule") to the offering plan containing projections of income and expenses of the Condominium for the fiscal year March 1, 2015, the projected first year of condominium operation.

Our relevant experience in the field includes: the Charleston Condominium, Chelsea Stratus Condominium, 240 Park Avenue South Condominium and 151 West 17th Street Condominium among others.

We understand 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 Schedule B.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing mixed use and residential buildings in Manhattan.

We certify that the projections in Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the projected first year of condominium operation.

We certify that the Schedule:

(i) sets forth in detail the projection of income and expenses for the projected first year of condominium operation;

(ii) affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the projected first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the projected first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Douglas Elliman Property Management

By: _____
Name: John R. Jarvinger
Title: Executive Vice President

Sworn to before me this
28th day of October 2013

_____
Notary Public

CINDY HARRINGTON
Notary Public - State of New York
No. 01HA698204
Qualified In Kings County
Commission Expires on December 8, 2016

Exhibit A-4

DOUGLAS ELLIMAN PROPERTY MANAGEMENT
675 THIRD AVENUE
NEW YORK, NY 1001

CERTIFICATION OF SPONSOR'S EXPERT
ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS PURSUANT TO SECTION 20.4(e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

October 28, 2013

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 33 EAST 74TH STREET CONDOMINIUM
33 East 74th Street
New York, New York 10021

The undersigned, Douglas Elliman Property Management, is a licensed real estate brokerage/management firm in the State of New York. Douglas Elliman Property Management has been engaged in the management of over 350 condominium, cooperative and residential rental properties over the course of the past 50 years including at least 150 mixed-use properties.

The sponsor of the condominium offering plan for the above captioned property retained us to review Schedule B (together with the notes thereto, the "Schedule") to the offering plan containing projections of common charges payable by the owners of the commercial units of the Condominium for the fiscal year March 1, 2015, the projected first year of condominium operation.

Our relevant experience in the field includes: managing and preparing first year budgets for The Charleston Condominium, Chelsea Stratus Condominium, 240 Park Avenue South Condominium, 260 Park Avenue South Condominium, as well as many others.

We understand 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 the Schedule as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential and commercial buildings in Manhattan.

We certify that the projections in Schedule B for common charges payable by the owners of commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects the special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in the Schedule for the common charges payable by the owners of the commercial units:

(i) set forth in detail the projected common charges for the commercial units for the projected first year of condominium operation;

(ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units during the projected first year of condominium operation;

(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 units for the projected first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Douglas Elliman Property Management

By:_____
Name: John R. Jannngelo
Title: Executive Vice President

Sworn to before me this
29th day of October 2013

C Harrington
Notary Public

CINDY HARRINGTON
Notary Public - State of New York
No. 01HA698204
Qualified in Kings County
Commission Expires on December 8, 2016

EXHIBIT 9

REAL PROPERTY LAW SECTION 339-kk

§ *339-kk Real Prop.* Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

EXHIBIT 10

FORM OF RESIDENT STORAGE ROOM LICENSE

RESIDENT STORAGE ROOM LICENSE AGREEMENT

AGREEMENT made this ____ day of _____, 20__ ("Agreement") by and between JZS Madison, LLC, having an office at 780 West End Avenue, 1E, New York, NY 10025 ("Sponsor"), and the Condominium Board of 33 East 74th Street Condominium on behalf of all Unit Owners, having an address at 33 East 74th Street, New York, New York 10021 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as the ("Licensor") and _____ having an address at 33 East 74th Street, Unit __, New York, New York 10021 ("Licensee");

WHEREAS, 33 East 74th Street Condominium ("Condominium") is governed by a certain Declaration of Condominium dated as of _____ ___, 20__, recorded in the New York County Office of the Register of the City of New York on _____ ___, 20__as CRFN _____, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Residential Rules and Regulations"), (the Declaration, the By-Laws and the Residential Rules and Regulations are collectively referred to as the "Condominium Documents"); and

WHEREAS, in the Subcellar level of the Building there are Residential Limited Common Elements (the "Licensed Area") in which Resident Storage Rooms have been installed for use by permitted Residential Unit Owners; and

WHEREAS, Licensee owns or simultaneously herewith is acquiring Residential Unit ___ in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use of Resident Storage Room # __ for so long as Licensee owns a Residential Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $_____ and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license ("License") for the exclusive use of Resident Storage Room #___ ("Designated Resident Storage Room") and Licensee hereby accepts such License from Licensor for a term commencing on the date hereof.

2. Licensee shall pay a monthly license fee to the Condominium in accordance with the Condominium Documents, which fee may be increased by the Condominium Board from time to time.

3. A Resident Storage Room may only be used for storage purposes, or as otherwise permitted by Legal Requirements, provided that no material which poses a health or safety threat or which otherwise creates a nuisance may be stored therein. Licensee hereby covenants to comply with all use restrictions imposed by Legal Requirements, including, without limitation,

any restrictions imposed by the New York City Administrative Code and/or any similar set of municipal requirements in effect with respect to the Building from time to time. Licensee shall bear all responsibility for reviewing all applicable Legal Requirements (including, without limitation, the New York City Administrative Code and/or any similar set of municipal requirements in effect with respect to the Building from time to time) and compliance therewith.

4. Licensee acknowledges that the Resident Storage Room is below grade, and that Licensee has reviewed all terms of the Plan pertaining to the availability (or lack of availability) of flood insurance with respect to the Resident Storage Room and all personal property, improvements, betterments or other contents therein.

5. Licensee shall not (a) store any property in the Licensed Area outside of the designated Resident Storage Room; or (b) allow any other person to use the License except in accordance with the terms hereof.

6. This License may be assigned by Licensee at any time provided the assignee (i) is a Residential Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, (iii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iv) no outstanding monies are owed to the Condominium by the Licensee and/or the assignee. This License shall automatically terminate at such time as the Licensee no longer owns a Residential Unit in the Condominium unless this License is assigned to and assumed by another Residential Unit Owner. Notwithstanding the foregoing, Licensee may assign its right to use the Resident Storage Room to a permitted tenant or occupant of Licensee's Unit, provided that Licensee shall remain liable hereunder and in no event shall such tenant or occupant be permitted to further assign such rights.

7. Licensee represents that it has made a thorough inspection of the Licensed Area and agrees to take same in its "as is" condition as of the date of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of and maintain the Designated Resident Storage Room. All repairs and replacements to the Designated Resident Storage Room as well as the Licensed Area shall be performed by the Condominium Board and the cost thereof shall be a Common Expense, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of a Licensee, then the entire cost and expense of such repair or replacement shall be borne by such Licensee.

8. Neither Licensor nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Licensed Area and the Designated Resident Storage Room.

9. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

10. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Condominium Board may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of the Designated Resident Storage Room until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

11. The Condominium Board or its agents shall have the right, but not the obligation, to open the Designated Resident Storage Room in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Designated Resident Storage Room and to make such repairs, replacements and improvements as the Condominium Board shall deem necessary.

12. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Designated Resident Storage Room or a conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Licensor and the Licensee with respect to this Agreement.

13. Licensee shall indemnify and hold Licensor and their respective officers, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with this License.

14. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending the rights of Licensor under this Agreement or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

15. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

16. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely expresses their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

17. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

18. 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.

19. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

20. Capitalized terms utilized and not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

[NO FURTHER TEXT THIS PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

Agreed to and Acknowledged by

LICENSOR:

CONDOMINIUM BOARD OF
33 EAST 74TH STREET CONDOMINIUM

By: _____
Name:
Title:

JZS MADISON, LLC

By: _____
Name: _____
Title:

LICENSEE:

By: _____

By: _____

ASSIGNMENT AND ASSUMPTION OF LICENSE AGREEEMENT

THIS ASSIGNMENT AND ASSUMPTION OF LICENSE AGREEEMENT made as of the _____ day of _____, 20___ by and between _____ (hereinafter referred to as the "Assignor"), having an address at _____, New York, New York _____, and _____ (hereinafter referred to as the "Assignee"), having an address at _____, New York, New York _____.

W I T N E S S E T H:

WHEREAS, Assignor executed a certain License Agreement dated _____, ____ ("License Agreement") for Assignor to have the exclusive right to use Resident Storage Room # ___ located at 33 East 74th Street Condominium (the "Condominium"), located at 33 East 74th Street, New York, New York, in accordance with the terms of the Condominium Offering Plan dated _____, 20___ ("Plan"), as amended to date; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the License Agreement; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the License Agreement; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment;

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns the Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the License Agreement, a copy of which is attached hereto and made a part hereof, for the sum of $_____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the License Agreement as if Assignee had signed the License Agreement originally as "Licensee".

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use Resident Storage Room # _____.

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto and approved by the Condominium.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of License Agreement on the day and year first above written.

ASSIGNOR:

_____

ASSIGNEE:

_____

APPROVED BY

CONDOMINIUM BOARD OF
33 EAST 74TH STREET CONDOMINIUM

By:_____
Name:_____
Title:_____

EXHIBIT 11

FORM OF INTERIM LEASE AGREEMENT

INTERIM LEASE AGREEMENT

SELLER:	JZS MADISON, LLC 780 West End Avenue, Unit 1E New York, New York, 10025
PURCHASER:	
UNIT:	Unit _____ 33 East 74th Street Condominium 33 East 74th Street New York, New York 10021
DATE:	As of _____ __, 20__.

WHEREAS, Purchaser has agreed to purchase Unit _____ (the "Unit") at 33 East 74th Street Condominium, 33 East 74th Street, New York, New York 10021 (the "Condominium") pursuant to an Agreement between Purchaser and Seller, dated as of _____ __, 20__ (the "Contract").

WHEREAS, Purchaser wishes to occupy the Unit prior to the closing of title to the Unit (the "Closing") and, subject to the terms and conditions set forth herein, Seller has agreed to such occupancy.

NOW, THEREFORE, Purchaser and Seller hereby agree as follows:

1. Purchaser may occupy the Unit subject to the terms of this Interim Lease Agreement (this "Agreement") commencing as of _____ ___, 20__ (the "Possession Date").

2. The term of this Agreement shall continue until the closing of the Unit. Purchaser has no other interest in the Unit except as expressly set forth herein or in the Contract.

3. Purchaser shall pay Seller monthly use and occupancy at the address set forth above, or at such other address as Seller may direct, in the amount of $_____, subject to the terms of Section 9 below; provided, however, that the first month's use and occupancy is due and payable as of the date hereof and shall be paid to Seller together with the delivery of this Agreement as executed by Purchaser, or as Seller may otherwise direct. Any additional monthly use and occupancy payment shall be due and payable on or before the ___ day of such month. At Closing, Seller and Purchaser shall make adjustments for use and occupancy payments on a per diem basis.

4. In the event that Purchaser defaults under the Contract, the same shall constitute a default hereunder, and Purchaser shall surrender the Unit to Seller in the condition he received same no later than two (2) business days after Seller's notice of Purchaser's default

under the Contract (the "Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Vacate Date.

5. In the event Purchaser remains in possession of the Unit beyond the Vacate Date, then Purchaser shall be immediately obligated to pay to Seller an amount equal to $____ per day (the "Per Diem Charge") beginning on the day after the Vacate Date through and including the date that Purchaser vacates and surrenders the Unit in the condition required herein. In no event shall any provision hereof be construed as permitting Purchaser to hold over in possession of the Unit after the Vacate Date or as limiting Seller's rights and remedies in respect of same, all of which are expressly reserved.

6. Without limiting any of Seller's rights contained herein, in the event that Purchaser shall fail to vacate the Unit on or before the Vacate Date, Seller shall have any and all rights at law, in equity or otherwise, to evict and/or remove Purchaser and recover possession of the Unit, and Purchaser hereby waives any and all rights to interpose any counterclaims, defenses, or offsets to such eviction action or proceeding or to seek a stay of the warrant of eviction issued therein. Purchaser shall reimburse Seller for all expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees) incurred by Seller in connection with such eviction or other proceedings.

7. Without limiting the foregoing, if Seller brings an action or proceeding relating to this Agreement, at law or in equity, Seller shall be entitled to any and all actual third party costs and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees).

8. Purchaser shall be responsible for obtaining and paying directly for all utilities costs including, without limitation, all electric, gas, telephone and cable charges attributable to Purchaser's usage of such services in the Unit during the term, and Purchaser shall indemnify Seller for all such costs. The provisions of this paragraph shall survive the Closing and Vacate Date, as applicable.

9. Any default by Purchaser hereunder shall constitute a default by Purchaser under the Contract; provided, however, that with respect to a default in the payment of use and occupancy following the initial use and occupancy payment, Purchaser's shall have the right to cure same within five (5) business days following the due date therefor. Notwithstanding anything to the contrary, this Agreement shall automatically terminate upon the sooner to occur of (i) the Closing or (ii) Purchaser's default hereunder (subject, with respect to a default in the payment of use and occupancy following the initial use and occupancy payment, to Purchaser's right to cure same within five (5) business days following the due date therefor).

10. Purchaser shall not make any alterations, additions, installations or improvements to the Unit during the term of this Agreement, provided that the foregoing shall not be deemed to prohibit Purchaser from placing Purchaser's furniture and other personal property in the Unit during the term hereof. Upon the termination of this Agreement for any reason other than the Closing, Purchaser shall remove all such furniture and personal property, shall repair all damage caused thereby, and shall vacate the Unit in broom-clean condition. Any personal property not removed may, at Seller's election, be retained by Seller without compensation to Purchaser, or removed at Purchaser's expense. The provisions of this paragraph shall survive any termination of this Agreement.

11. Seller shall not be responsible for any damages arising from any bodily injury to Purchaser or Purchaser's guests or invitees or any damage to or loss of any of the property of Purchaser or of Purchaser's guests or invitees occurring in the Unit. Purchaser agrees to indemnify and to hold Seller harmless from and against any and all claims, suits, demands, judgments, and costs (including attorneys' fees) that may be made against Seller arising from or connected with Purchaser's occupancy of the Unit. The provisions of this paragraph shall survive the termination of this Agreement.

12. Purchaser agrees to maintain personal liability, property and hazard insurance throughout the term hereof in amounts reasonably acceptable to Seller and naming Seller and the Condominium as an additional insured. During the term hereof, Purchaser shall comply with all laws, rules, regulations and requirements of governmental authorities and the Condominium pertaining to the Unit and Purchaser's use and occupancy thereof. Purchaser shall deliver insurance certificates evidencing such coverage to Seller prior to Purchaser's taking occupancy of the Unit.

13. Purchaser hereby agrees to accept possession of the Unit in its "as-is, where-is" condition for purposes of this Agreement; provided, however, that Seller agrees to deliver the Unit in broom-clean condition. Purchaser shall be liable for any and all damage caused to the Unit during Purchaser's possession thereof.

14. Any notice hereunder shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, or by reputable overnight courier, with receipt confirmed, to Purchaser at the address given at the beginning of this Agreement and to Seller at the address given at the beginning of this Agreement, with a copy sent in like manner to Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attn: Jay A. Neveloff, Esq., in the same manner as notice is given to Seller, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. 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.

15. Nothing in this Agreement shall be construed as creating a landlord/tenant relationship between Purchaser and Seller.

16. This Agreement may not be modified or its provisions waived except by a writing signed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:

JZS MADISON, LLC

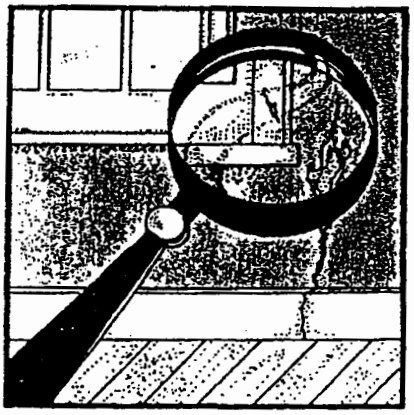
By:_____
Name:
Title:

PURCHASER:

_____

EXHIBIT 12

LEAD PAINT BOOKLET





Protect Your Family From Lead In Your Home



U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207

EPA
United States
Environmental Protection
Agency

United States Consumer
Product Safety Commission

EPA747-K-94-001
May 1995

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

By 1996, federal law will require that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS will have to disclose known information on lead-based paint hazards before leases take effect. Leases will include a federal form about lead-based paint.

SELLERS will have to disclose known information on lead-based paint hazards before selling a house. Sales contracts will include a federal form about lead-based paint in the building. Buyers will have up to 10 days to check for lead hazards.

RENOVATORS will have to give you this pamphlet before starting work.

IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Clearinghouse at **1-800-424-LEAD.**

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children that seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips with lead in them.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

1 out of every 11 children in the United States has dangerous levels of lead in the bloodstream.

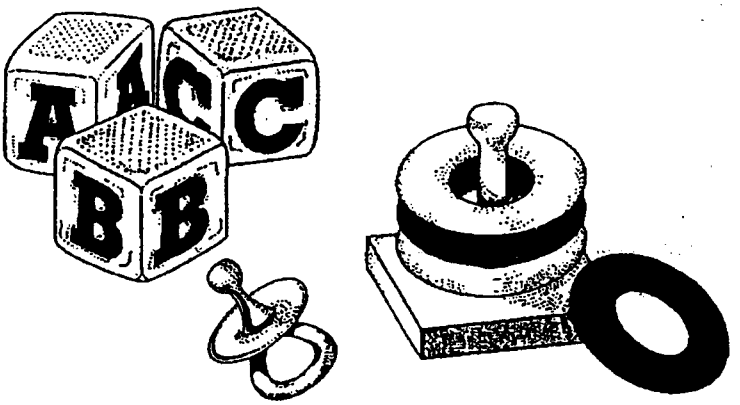
Even children who appear healthy can have dangerous levels of lead.

People can get lead in their body if they:

- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contain lead.
- Breathe in lead dust (especially during renovations that disturb painted surfaces).

Lead is even more dangerous to children than adults because:

- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.
- Children's growing bodies absorb more lead.
- Children's brains and nervous systems are more sensitive to the damaging effects of lead.



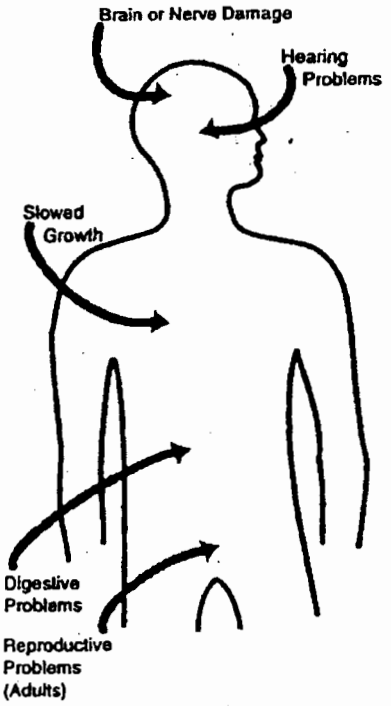
Lead's Effects

If not detected early, children with lead in their bodies can suffer from:

- Damage to the brain and nervous system
- Behavior and learning problems (such as hyperactivity)
- Slowed growth
- Hearing problems
- Headaches

Lead is also harmful to adults. Adults can suffer from:

- Difficulties during pregnancy
- Other reproductive problems (in both men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain



Lead affects the body in many ways.

Checking Your Family for Lead

Get your children tested if you think your home has high levels of lead.

A simple blood test can detect high levels of lead. Blood tests are important for:

- Children who are 6 months to 1 year old (6 months if you live in an older building or home that might have lead in the paint).
- Family members that you think might have high levels of lead.

If your child is older than 1 year, talk to your doctor about whether your child needs testing.

Your doctor or health center can do blood tests. They are inexpensive and sometimes free. Your doctor will explain what the test results mean. *Treatment can range from changes in your diet to medication or a hospital stay.*

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. In 1978, the federal government banned lead-based paint from housing.

Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside *and* outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint, or other sources such as past use of leaded gas in cars).

Where Lead Is Likely To Be a Hazard

Lead-based paint that is in good condition is usually not a hazard.

Peeling, chipping, chalking, or cracking lead-based paint is a hazard and needs immediate attention.

Lead-based paint may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear. These areas include:

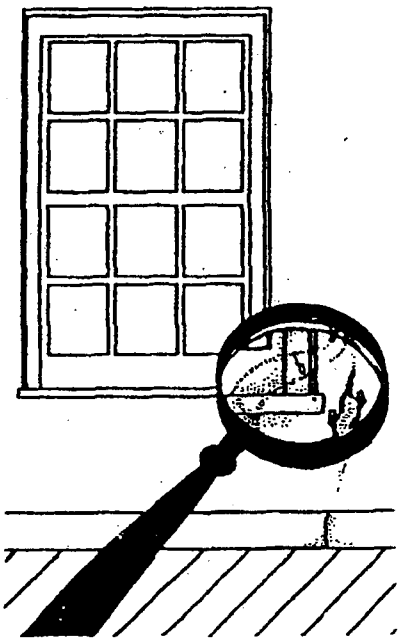
- Windows and window sills.
- Doors and door frames.
- Stairs, railings, and banisters.
- Porches and fences.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when people vacuum, sweep, or walk through it.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. Call your state agency (see page 12) to find out about soil testing for lead.





Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead hazards in one of two ways, or both:

- A paint **inspection** tells you the lead content of every painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- A **risk assessment** tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Have qualified professionals do the work. *The federal government is writing standards for inspectors and risk assessors. Some states might already have standards in place.* Call your state agency for help with locating qualified professionals in your area (see page 12).



Trained professionals use a range of methods when checking your home, including:

- Visual inspection of paint condition and location.
- Lab tests of paint samples.
- Surface dust tests.
- A portable x-ray fluorescence machine.

Home test kits for lead are available, but the federal government is still testing their reliability. These tests should not be the only method used before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

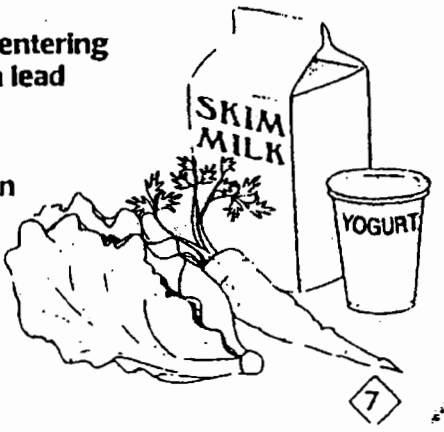
If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and low-fat dairy products. Children with good diets absorb less lead.



How To Significantly Reduce Lead Hazards

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions like repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will not eliminate all risks of exposure.
- To **permanently** remove lead hazards, you must hire a lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not enough.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. If possible, hire a certified lead abatement contractor. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Call your state agency (see page 12) for help with locating qualified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before you begin remodeling or renovations that disturb painted surfaces (such as scraping off paint or tearing out walls):

- **Have the area tested for lead-based paint.**
- **Do not use a dry scraper, belt-sander, propane torch, or heat gun** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

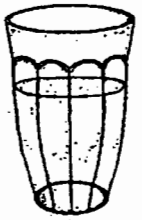
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.



If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

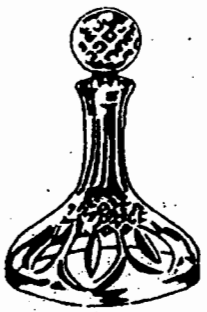


Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.





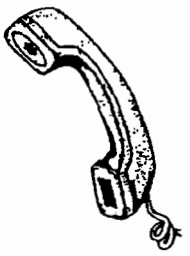
- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your clothes separately from the rest of your family's.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

Call **1-800-LEAD-FYI** to learn how to protect children from lead poisoning.

For other information on lead hazards, call the center's clearinghouse at **1-800-424-LEAD.** For the hearing impaired, call, **TDD 1-800-526-5456.** (FAX: **202-659-1192,** Internet: **EHC@CAIS.COM**).

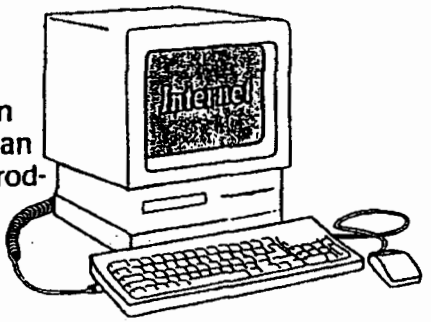


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772.** (Internet: info@cpsc.gov). For the hearing impaired, call **1-800-638-8270.**



Local Sources of Information

State Health and Environmental Agencies

Some cities and states have their own rules for lead-based paint activities. Check with your state agency (listed below) to see if state or local laws apply to you. Most state agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards.

State/Region	Phone Number	Missouri	(314) 526-4911
Alabama	(205) 242-5661	Montana	(406) 444-3671
Alaska	(907) 465-5152	Nebraska	(402) 471-2451
Arkansas	(501) 661-2534	Nevada	(702) 687-6615
Arizona	(602) 542-7307	New Hampshire	(603) 271-4507
California	(510) 450-2424	New Jersey	(609) 633-2043
Colorado	(303) 692-3012	New Mexico	(505) 841-8024
Connecticut	(203) 566-5808	New York	(800) 458-1158
Washington, DC	(202) 727-9850	North Carolina	(919) 715-3293
Delaware	(302) 739-4735	North Dakota	(701) 328-5188
Florida	(904) 488-3385	Ohio	(614) 466-1450
Georgia	(404) 657-6514	Oklahoma	(405) 271-5220
Hawaii	(808) 832-5860	Oregon	(503) 248-5240
Idaho	(208) 332-5544	Pennsylvania	(717) 782-2884
Illinois	(800) 545-2200	Rhode Island	(401) 277-3424
Indiana	(317) 382-6662	South Carolina	(803) 935-7945
Iowa	(800) 972-2026	South Dakota	(605) 773-3153
Kansas	(913) 296-0189	Tennessee	(615) 741-5683
Kentucky	(502) 564-2154	Texas	(512) 834-6600
Louisiana	(504) 765-0219	Utah	(801) 536-4000
Massachusetts	(800) 532-9571	Vermont	(802) 863-7231
Maryland	(410) 631-3859	Virginia	(800) 523-4019
Maine	(207) 287-4311	Washington	(206) 753-2556
Michigan	(517) 335-8885	West Virginia	(304) 558-2981
Minnesota	(612) 627-5498	Wisconsin	(608) 266-5885
Mississippi	(601) 960-7463	Wyoming	(307) 777-7391

EPA Regional Offices

Your Regional EPA office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)
John F. Kennedy Federal Building
One Congress Street
Boston, MA 02203
(617) 565-3420

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)
Building 5
2890 Woodbridge Avenue
Edison, NJ 08837-3679
(908) 321-6671

Region 3 (Delaware, Washington DC, Maryland, Pennsylvania, Virginia, West Virginia)
841 Chestnut Building
Philadelphia, PA 19107
(215) 597-9800

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)
345 Courtland Street, NE
Atlanta, GA 30365
(404) 347-4727

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)
77 West Jackson Boulevard
Chicago, IL 60604-3590
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)
First Interstate Bank Tower
1445 Ross Avenue, 12th Floor, Suite 1200
Dallas, TX 75202-2733
(214) 665-7244

Region 7 (Iowa, Kansas, Missouri, Nebraska)
726 Minnesota Avenue
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)
999 18th Street, Suite 500
Denver, CO 80202-2405
(303) 293-1603

Region 9 (Arizona, California, Hawaii, Nevada)
75 Hawthorne Street
San Francisco, CA 94105
(415) 744-1124

Region 10 (Idaho, Oregon, Washington, Alaska)
1200 Sixth Avenue
Seattle, WA 98101
(206) 553-1200

CPSC Regional Offices

Eastern Regional Center
6 World Trade Center
Vesey Street, Room 350
New York, NY 10048
(212) 466-1612

Central Regional Center
230 South Dearborn Street
Room 2944
Chicago, IL 60604-1601
(312) 353-8260

Western Regional Center
600 Harrison Street, Room 245
San Francisco, CA 94107
(415) 744-2966

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

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