CONDOMINIUM OFFERING PLAN
449 WASHINGTON CONDOMINIUM

Located At

449 Washington Street
New York, New York 10013

Total Purchase Price of Offering (4 Residential Units) $22,700,000.00

SPONSOR:

449 WASHINGTON LLC
415 Washington Street, Suite 1B
New York, New York 10013

SELLING AGENT:

Corcoran Group
636 Sixth Avenue
New York, New York 10011

Date of Acceptance for Filing June 12, 2013

This Offering Plan May Not Be Used After June 11, 2014 Unless Extended By Amendment.

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

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

SEE PAGE 1 FOR SPECIAL RISK TO PURCHASERS

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

TABLE OF CONTENTS

PART I

	Page
SPECIAL RISKS	1-6 b
INTRODUCTION	7-10
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	11-12
LOCATION AND AREA INFORMATION	13-17
DEFINITIONS	18-23
OFFERING PRICES AND RELATED INFORMATION SCHEDULE A	24-27
BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION SCHEDULE B	28-36
BUDGET FOR INDIVIDUAL ENERGY COSTS SCHEDULE B-1	37
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i	38
CHANGES IN PRICES AND UNITS	39-41
INTERIM USE AND OCCUPANCY AGREEMENTS	41
PROCEDURE TO PURCHASE	42-48
ASSIGNMENT OF PURCHASE AGREEMENTS	49
EFFECTIVE DATE	50-51
TERMS OF SALE	52-57
UNIT CLOSING COSTS AND ADJUSTMENTS	58-64
CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD	65-66
RIGHTS AND OBLIGATIONS OF THE SPONSOR	67-76
CONTROL BY THE SPONSOR	77-78
BOARD OF MANAGERS	79-84
RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS	85-98
REAL ESTATE TAXES	99-100
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM	101-103
OPINION(S) OF COUNSEL	104-109
RESERVE FUND AND/OR WORKING CAPITAL FUND	110
MANAGEMENT AGREEMENT, CONTRACTS AND LEASES	111-117
IDENTITY OF PARTIES	118-119
REPORTS TO UNIT OWNERS	120
DOCUMENTS ON FILE	121
GENERAL	122-123
SPONSOR'S STATEMENT OF DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITION	124

PART II

	Page
PURCHASE AGREEMENT	125-140 a
ESCROW AGREEMENT WITH SPONSOR	141-146
POWER OF ATTORNEY	147-149
FORM OF UNIT DEED	150-154
DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITION	155-183
FLOOR PLANS OF UNITS AND PLOT PLAN	184-190f
DECLARATION OF CONDOMINIUM	191-213
CONDOMINIUM BY-LAWS	214-262
REAL PROPERTY LAW SECTION 339-kk	263-264
W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)	265-266
W-8 BEN (CERTIFICATE OF FOREIGN STATUS)	267
CERTIFICATIONS	268-273
SPONSOR AND PRINCIPALS	268-269
SPONSOR'S ENGINEER (OR ARCHITECT)	270-271
SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET	272-273

SPECIAL RISKS

1. Sponsor Control of the Board of Managers

Upon the earlier of (i) the closing of title to Units whose aggregate Common Interest exceeds ninety (90%) percent; or (ii) five (5) years from the First Unit Closing, Sponsor, including any designee thereof, will relinquish control of the Board of Managers if it has such control and will not elect a majority of its nominees for positions on the Board of Managers, even though the total percentage of Common Interest may otherwise enable it to do so. Accordingly, it is possible that Sponsor and/or its designee(s) may control the Board of Managers for as long as five (5) years from the First Unit Closing. Please consult page 77 of the Offering Plan for further discussion.

2. Sponsor Veto Power

As long as the Sponsor or any Sponsor-designee-shall continue to own Condominium Units equaling at least twenty-five (25%) percent of the total Common Interest of the Condominium, but in no event for a period in excess of five (5) years from the First Unit Closing, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed 5.00% of the budgeted expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient). Please consult page 77 of the Offering Plan for further discussion.

3. Down Payment, Defaults by Purchasers

If a Purchaser defaults under this Purchase Agreement, Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days from the mailing date or thirty (30) days after personal delivery of such notice within which to cure such default. Time is of the essence for the Purchaser to cure any default under the Purchase Agreement within such thirty (30) day period. "Time is of essence" means that if the default is not timely cured the Sponsor may (but is not obligated to) elect to cancel the Purchase Agreement. In such event the downpayment deposit, any accrued interest and any other amounts paid by the Purchaser for any special or custom work shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. Please consult page 46 of the Offering Plan for further discussion.

4. Down Payment - Extra Custom Work

All funds received by Sponsor for upgrades or extras must initially be placed in the escrow account with the Escrow Agent. However, Purchasers should note that such funds may be released from the escrow account by the Escrow Agent as long as the 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 for upgrades or extras. Please consult page 47 of the Offering Plan for further discussion.

5. 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 a Purchase Agreement shall not be contingent on the Purchaser obtaining such financing. Accordingly, a Purchaser will remain obligated under a Purchase Agreement whether or not such Purchaser has been able to obtain financing. The Sponsor does not make any representations as to the terms or availability of any mortgage financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its terms may be limited, and it could expire before the closing date. (See the section of the Plan titled "Procedure to Purchase" on page 47 for more details).

6. Window Guards

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Please consult page 96 of the Offering Plan in the section titled "Rights and Obligations of Unit Owners and The Board of Managers" for further discussion.

7. Declaring Plan Effective - Minimum Number of Sales

Pursuant to existing law and regulation the Sponsor may declare the Offering Plan effective by selling a minimum of one of the Units in the Building which are being offered to the public. If the Plan is declared effective with a minimum of sales, which is one, it must close title to that Unit in order to convert the Building.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 35% or 50%) of the Units in a building be sold before the lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum.

Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

8. Closing Adjustment for Late Closing

Purchaser shall be entitled to one reasonable adjournment of up to fifteen (15) days, on five (5) days' written notice by Purchaser to Seller. In addition to any other rights Seller may have by reason of Purchaser's failure to timely close title when requested, subject to any permitted adjournment period to which Purchaser is entitled, Seller shall be reimbursed by Purchaser for the cost of any real estate taxes and Common Charges from and including the originally scheduled Closing Date to the actual Closing Date, provided Seller has met its

obligation under the Offering Plan to close title with respect to the Unit. Additionally, Purchaser shall pay to Seller a penalty in the amount of $300.00 per day commencing with and including the originally scheduled Closing Date fixed by Seller to the actual closing date, provided Seller has met its obligations under the Offering Plan to close title with respect to the Unit. Otherwise, such $300.00 per day penalty shall commence after such 15 day adjournment period once Seller has complied with its obligations under the Offering Plan to close title with respect to the Unit. Please consult page 127 of the Offering Plan for further discussion.

9. Cross-defaults Under Interim Use and Occupancy Agreements.

An Interim Use and Occupancy Agreement will provide that an uncured default by the Purchaser under a Purchase Agreement will constitute a default under the Interim Use and Occupancy Agreement, entitling the landlord (i.e., Sponsor), at its sole option, to terminate the Interim Use and Occupancy Agreement. The Purchase Agreement contains a similar cross-default provision entitling Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under the Interim Use and Occupancy Agreement within any applicable grace period. The interim occupant must vacate the Unit within five (5) days after any default under the Purchase Agreement which remains uncured after thirty (30) days. Please consult the section of the Offering Plan titled "Interim Use and Occupancy Agreements" on page 41 of the Offering Plan for further discussion.

10. Down Payment Deposits in Excess of $250,000.00

Any deposit in excess of $250,000, which is received as a downpayment and held in escrow under a Purchase Agreement will not be federally insured. The Dodd-Frank Wall Street Reform and Consumer Protection was signed into law, which raised the standard maximum deposit insurance amount to $250,000. The FDIC insurance coverage limit applies per depositor, per insured depository institution for each account ownership category. Downpayments held in escrow in excess of $250,000 will not be insured. Individual subaccounts will be established and linked to the master escrow account of Stempel Bennett Claman & Hochberg, P.C. held at Signature Bank. The Purchaser must complete and deliver a W9 form in order for the subaccount to be established and, subject to the regulations of the Federal Deposit Insurance Corporation. If the Purchaser has other deposits in Signature Bank amounts in the aggregate which exceed $250,000 will not be insured. The maximum amount of federal deposit insurance will revert to $100,000 as of January 1, 2014.

11. No Bond or Other Security to Secure Sponsor Performance

No bond or other security has been furnished to secure the performance of the Sponsor's obligations. Although at the time the Offering Plan is accepted for filing the Sponsor will be financially capable of performing Sponsor's obligations, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. The construction work is being financed from Sponsor's own funds and funds from Empire State Bank. Please consult the section of the Offering Plan titled "Rights and Obligations of Sponsor" on page 67 for further discussion.

12. No Reserve Fund; Working Capital Fund

The Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs because the Building, upon completion of the construction to be performed by the Sponsor as described herein, will be either new construction or completely renovated. 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 Purchaser of a Unit will be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. Such contribution will be in an amount equal to three months' Common Charges in effect for such Unit. See the section of the Plan entitled "Reserve Fund and/or Working Capital Fund" for further discussion.

13. The Sponsor's Right to Lease Unsold Units

The Sponsor has reserved the right to lease any Unsold Unit prior to closing the sale thereof or with respect to which an Agreement is not outstanding and, in addition, to use the Unsold Unit as a sales office or model Unit. Therefore, a Purchaser may be acquiring a Unit that has been previously occupied or utilized, but such Unit will be delivered at closing free of all leases and tenancies. See the section of the Plan titled "Rights and Obligations of the Sponsor" on page 67 of the Offering Plan for further discussion.

14. Transfer Taxes

Each Purchaser will be required to pay the New York City Real Property Transfer Tax and the New York State Real Property Transfer Tax (Deed Stamps) which by law are the primary obligation of the Seller. For purposes of calculating the taxes payable, the amount of such taxes will be included in the consideration subject to such tax. If the purchase price of a Residential Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently one (1%) percent of the purchase price, which by law is the primary obligation of the Purchaser. See the section of the Plan titled "Unit Closing Costs and Adjustments" on page 59 of the Offering Plan for further discussion.

15. Construction After First Unit Closing

The signing of the Purchase Agreement signifies the Purchaser's acceptance of the condition of the Property, subject to Sponsor's obligations as set forth in the Offering Plan, including the Building, the Unit and all equipment and fixtures contained therein. The Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building or the Units, except as may be set forth in the Plan. The Sponsor will not be obligated to correct, repair or replace any defects relating to construction of the Residential Units, the General Common Elements or the Limited Common Elements, or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan.

No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. A Purchaser should also note that it is likely that construction workers and

related personnel will be at the Property after the First Unit Closing, that construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems and that it is possible that various systems including, without limitation, water supply, air conditioning, heating and elevator, may need to be shut down temporarily during the construction period and/or may require adjustments after the First Unit Closing. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and delays in these services will not be the responsibility of Sponsor.

16. Sponsor Control

Since Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no Sponsor commitment to sell more Units than the fifteen (15%) necessary to declare the Offering Plan effective. Consequently, despite the requirement that Sponsor must give up control of the Board of Managers no later than five years from the first Condominium unit closing, owner-occupants may never gain effective control and management of the Condominium if sales are made to investors. Please consult the section of the Offering Plan titled "Control By The Sponsor" on page 77 for further discussion.

17. Owner-occupants versus Non-Resident Owners

The Condominium By-Laws do not include a provision that after the initial Sponsor voting control period a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. 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.) Please consult the section of the Offering Plan titled "Control By The Sponsor" on page 77 for further discussion.

18. Measurement of Square Footage of Units

For measurement purposes, the approximate square foot area of each Residential Unit is measured horizontally on each of one or more floors from the exterior side of the glass or the exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Element or Limited Common Elements or to the opposite exterior side of the glass or the exterior walls of the Building, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

Square footage of each Residential is approximate and may change due to field conditions and construction variances and tolerances. The square footages were obtained using the above measurement methods. The actual usable space is substantially less than the measured square footage.

19. Lot Line Windows

All windows along the South façade, at the third, fourth, fifth, sixth and seventh floors, are 'Lot Line' windows since they are installed in a wall that runs directly adjacent to the side property line. Per building code, Lot Line Windows cannot serve as required windows for light & ventilation and are provided in this instance as an amenity only. These Lot Line Windows must be sealed if the adjacent property owner decides to enlarge its building vertically to block such openings in the future. The cost of closing off these window openings is the expense of the individual condominium unit owner.

20. Little "E" Restricted: HAZMAT/AIR

The Property has an E designation on the Zoning Maps of the Zoning Resolution of the City of New York (the "ZR") for potential hazardous material contamination. ZR Section 11-15 (Environmental Requirements) provides that the DOB may not issue a building permit for a) any development b) enlargement, extension of change of use involving a residential or community facility use or enlargement for any use that disturbs the soil, on tax lots that have an E designation for potential hazardous material contamination unless the New York City Department of Environmental Protection ("DEP") issues a report that all environmental requirements have been met. DEP has issued such a report, so the project could proceed with the issuance of all permits.

21. Obligation To Obtain Final Certificate Of Occupancy

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the by-laws of the Condominium may permit unit owners to undertake renovations to individual units prior to the procurement of a FCO, such

renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

22. No Visual Inspection of Property at Grade

The existing building abuts adjacent buildings on both side lot lines as well as the rear lot line. A 6-story building to the North, a 2-story building to the South, and a 1-story structure to the east surround the Property and do not allow visual inspection of the subject property at grade. The front of the subject Property as of December 21, 2012, is obscured with construction boarding.

23. Wood Floors

All Units will have White Oak strip wood floors throughout the main living and bedroom areas. Units with interior staircases will have white epoxy painted wood treads. Wood floors and wood elements 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.

24. Plants on Terraces

Plants maintained on any terrace, balcony or roof surface shall be contained in boxes of wood lined with metal or other materials impervious to dampness and standing on supports at least two (2") inches from the terrace, balcony or roof surface, and, if adjoining a wall, at least three (3") inches from such wall. Suitable weep holes should be provided in the boxes to draw off water. In special locations, such as a corner abutting a wall, plants may be contained in masonry or hollow tile walls which will be at least three (3") inches from the wall and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. It will be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. There shall be no blockage of drainage on any terrace or balcony by a Unit Owner. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plants. The size of such plants shall be subject to the consent of the Board of Managers.

25. Curing Violations

As set forth on page 171 of the Offering Plan in the section titled "Description of Property and Specifications of Building Condition", New York City DOB records indicate eight (8) open elevator violations and six (6) open Environmental Control Board violations. Sponsor will have all these violations removed in order to obtain a new temporary certificate of occupancy for the Building.

26. Roof Terraces

Unit Owners and their guests may walk on their terraces and/or roof terraces. No Unit Owner may place any objects directly upon the surface of a roof terrace nor shall any structure be built or placed upon the roof terrace without prior written consent of the Board of Managers. Consents required for additions, alterations or improvements by Unit Owners are set forth in Article VI, Section #13 of the By-laws. Any terrace and/or roof terrace repairs to be made by a Unit Owner shall require prior written approval of the Board of Managers.

27. No Manufacturer's Roof Warranty

The Sponsor is not providing a No Dollar Limit (NDL) Manufacturer's Warranty for the new roof. The absence of a NDL manufacturer's warranty may indicate that the roof membrane and appurtenances were not inspected for compliance with the manufacturer's specifications for installation. As such, premature deterioration and replacement of the roof membrane may be anticipated and therefore should be budgeted for. Please consult the Description of Property and Specifications of Building Condition on page 165 of the Offering Plan.

INTRODUCTION

The Sponsor, 449 Washington LLC, acquired title to the Property on September 12, 2011 from Fresh Squeezed LLC and Eliot Ferguson, an individual. The Sponsor is a New York limited liability company formed as of September 9, 2011. Pursuant to the operating agreement there are three (3) members and one (1) manager. The manager is DI Development LLC, a New York limited liability company with one principal, Gizman Abbas, its executive.

The purpose of the Plan is to set forth all the terms of the offer so that prospective Purchasers have an adequate basis upon which to determine whether to purchase units in the Condominium. The Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. All filed amendments will be served on (i) purchasers who have executed and delivered purchase documents to Sponsor or Selling Agent, (ii) Unit Owners and (iii) any other offeree who is required by law to receive such amendment. Service shall be by either personal delivery, ordinary mail or registered mail. Service by personal delivery is deemed complete upon delivery. Service by mailing shall be presumed complete on the fifth day after the date of mailing.

The Condominium will be organized pursuant to Article 9B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act.

The Condominium shall consist of four (4) Residential Units.

The Building is being renovated pursuant to an alteration permit. Previously the site consisted of a commercial building.

The existing Building is of brick masonry, bearing wall construction from floors one through five. The new sixth floor and seventh floor mezzanine are of concrete masonry unit, bearing wall construction with a stucco exterior finish. The front façade is braced with hollow square steel columns.

The cellar level is to contain utility equipment for electrical, gas, domestic water and fire protection systems.

The first floor is to contain an entrance foyer, elevator and common stairway. It also contains the lower level of the Unit #1 duplex.

The second floor is to contain the upper level of the Unit #1 duplex, elevator and common stairway.

The third floor is to contain the common stairway, elevator and Unit #2 which is a floor thru simplex, having a balcony.

The fourth floor is to contain the common stairway, elevator and Unit #3, which is a floor thru simplex having a balcony.

The fifth floor is to contain the common stairway, elevator and the lowest level of Unit #4 triplex.

The sixth floor is to contain the common stairway, elevator and middle level of Unit #4 triplex, which has a terrace on this level.

The seventh floor (mezzanine) is to contain the common stairway, elevator and top level of Unit #4 triplex, which has two terraces on this level.

There is one elevator in the Building. There are no recreational facilities in the Building and no on site parking facilities.

The heating is provided by split package HVAC systems (comprised of exterior heat pump condensing units and interior ducted air handling units). Each Condominium Unit is provided with its own dedicated heat pumps, which are either wall-mounted or roof top condensing units. The equipment is entirely electrical. Accordingly, each Condominium unit will be individually metered for this use.

Domestic hot water in each Condominium Unit is heated by an in-unit electric domestic water heater.

Gas for cooking will be individually metered for each Condominium Unit.

All of the Units being offered are intended to be sold as Condominium Units in accordance with this Plan at the prices noted in Schedule A, commencing at page 24. These prices have been established solely by the Sponsor and are not subject to approval by the Department of Law or any other governmental agency, although the Department of Law reviews such prices. Sponsor intends to sell all the Units. Sponsor represents that it will endeavor in good faith to sell the Units rather than rent. If Sponsor makes a bulk sale of all or some of its Unsold Units, which in this building means more than one Unit to an investor, the transferee Successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units. Sponsor has obtained construction financing from First Republic Bank, having an office at 111 Pine Street, San Francisco, California 94111. There is no minimum number of contracts required by the construction lender to declare the Offering Plan effective. The construction loan mortgage lender shall, at each Unit Closing release its mortgage lien on the Condominium Unit being conveyed and its appurtenant interest in the Common Elements. The release price for each Unit is the greater of (i) 100% of net sales proceeds, considering sales costs of no more than 10% of the gross sales price or (ii) a minimum release price for Unit #1 of $2,160,000; for Unit #2 of $2,340,000 and for Unit #3, $2,844,000, together with all interest accrued to the date of such release and reconveyance.

It is noted that all Residential Units are being offered pursuant to this Offering Plan, and Sponsor in good faith intends to sell all Residential Units rather than rent, as set forth in the above paragraph. Sponsor is nonetheless reserving the right to withhold any vacant Unit from sale, provided an amendment is first filed setting forth the Unit being withheld. If Sponsor leases certain vacant Residential Units and such Units are subsequently offered, Sponsor shall amend the Plan accordingly.

In a condominium form of ownership, each Purchaser of a Unit owns his Unit similarly in many respects to the manner in which a private home owner owns his home. (References to the masculine gender in the Plan shall be deemed to refer to the feminine gender or plural where the context so requires and shall be deemed to include any duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association or any other entity permitted to own real property in the State of New York). The Residential Unit Owner owns the Unit in fee simple absolute and is entitled to the exclusive possession thereof. He is also the owner, in common with the owners of all other Units, of all remaining parts of the Property except for the Units themselves, including the land upon which the Units are built, the foundations and supports of the Building, the exterior walls and the roof (hereinafter called "Common Elements"). Each Unit Owner's proportionate share (hereinafter called "Common Interest") of the Common Elements has been determined upon the basis of such Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to Section 339-i 1(iv) of the Real Property Law, which is part of Article 9-B of the Real Property Law of the State of New York (hereinafter called "the Condominium Act"). Any portion of the land or Building, other than the Units themselves, which are for the use of one or more specified Units to the exclusion of all others, are known as "Limited Common Elements." The Plan provides that any balconies and terraces adjacent to and/or above and with access directly from a particular Unit shall be Limited Common Elements. Each Unit Owner is privileged to mortgage his Unit generally on the terms and in such amount as he chooses. With respect to any Unit, a first mortgage or second mortgage shall be either with an institutional lender, the Sponsor, a family member, a business associate or employer or a selling Unit Owner. Purchasers pursuant to this Plan, however, if they seek mortgage financing, shall be required to follow procedures set forth in the Purchase Agreement in Part II of the Plan. A mortgage may be made with a reputable private lender other than the Sponsor or selling Unit Owner subsequent to the obtaining of the written permission of either the Sponsor, prior to Sponsor's relinquishing control of the Board of Managers of the Condominium (sometimes herein referred to as the "Condominium Board" or the "Board of Managers"), or the Board of Managers. No Unit Owner shall be permitted to encumber his Unit with a third mortgage. His Unit is not subject to the lien of any mortgages placed by other Unit Owners on their Units.

A Unit Owner can sell or lease his Unit to anyone, without restriction or limitation, subject only to a right of first refusal by the Board of Managers at the same price and terms the Owner has been offered. Such right of first refusal is hereinafter described on page 82 of the Plan. A Unit Owner can alter and decorate the interior of his Unit in any way he desires, subject to local codes, and he is obligated for the cost of his own interior decoration, maintenance and repair after closing. Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible if any of the other Unit Owners fail to pay their real estate taxes. In the opinion of counsel for the Sponsor, a Residential Unit Owner, like a home owner, may under most circumstances, deduct from his income for income tax purposes his real estate taxes and the interest paid on the mortgage encumbering the Unit(s) owned by him. The Board of Managers will assess against each Unit Owner, in proportion to his respective percentage of Common Interest as defined in the section of the Plan titled "Definitions", charges (hereinafter called "Common Charges") for the maintenance of the Common Elements and for the operating costs of the Property (hereinafter called "Common Expenses"), as provided in New York State Real Property Law Section 339-m. Each Unit Owner will pay for all electricity consumed within

his own Unit, the charges for which will be separately metered. Gas for each Unit shall be separately metered and each respective Unit Owner shall be responsible for his gas costs.

Each Unit Owner is obligated to comply with the Declaration, the By-Laws, the Rules and Regulations and any other requirements of the Board of Managers. Each Unit Owner shall also be responsible for maintaining his own Unit and for making repairs within his own Unit. The cost of maintenance and repair of the Common Elements shall be shared by all Unit Owners as provided above. Each Unit Owner shall have the same rights of access to, use of and benefit of the Common Elements which are not Limited Common Elements. Each Unit Owner shall also be responsible for obtaining and bearing the cost of casualty and liability insurance in connection with his respective Unit. The Board of Managers shall have the duty of obtaining casualty and liability insurance on behalf of the Condominium with respect to the Building as a whole.

The Board of Managers shall be elected by the Unit Owners with the number of votes allocated to each Unit Owner determined by the Unit Owner's percentage of Common Interest. The Board of Managers shall have the authority to manage and administer the affairs of the Condominium, including, but not limited to, the determination of Common Charges and the adoption of Rules and Regulations covering the Condominium. Please see the section entitled "Rights and Obligations of the Unit Owners and the Board of Managers" at page 85 for further discussion.

Although the By-Laws of the Condominium contain a right of first refusal by the Board of Managers, the Board of Managers does not have the right to approve or disapprove purchasers. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents.

Units may be purchased either by natural persons over the age of 18 years or by a duly formed partnership, or corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, limited liability company, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York.

The Plan contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the office of the Department of Law and at the office of the Sponsor or at the on-site sales office at all times such offices are open.

THE PURCHASE OF A CONDOMINIUM HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AGREEMENT.

DESCRIPTION OF PROPERTY AND IMPROVEMENT

The Property has an area of approximately 2000 square feet. The Property is generally rectangular in dimension and is located on the easterly side of Washington Street, distant approximately 50 feet southerly from the corner formed by the intersection of the easterly side of Washington Street and the southerly side of Watts Street in the northwest corner of the Tribeca section of Manhattan.

The Condominium shall consist of four (4) Residential Units. The Property will be improved and the Units constructed in accordance with all applicable zoning and building laws and requirements. The applicable zoning law is the Zoning Resolution of the City of New York. The applicable building law is the New York City Building Code. It is anticipated that construction of the Residential Units will be completed and a temporary certificate of occupancy covering all Residential Units will be issued by July 1, 2013. The Residential Units are being completed essentially at the same time.

The Building is being renovated pursuant to an alteration permit. Previously the site consisted of a commercial building.

The existing Building is of brick masonry, bearing wall construction from floors one through five. The new sixth floor and seventh floor mezzanine are of concrete masonry unit, bearing wall construction with a stucco exterior finish. The front façade is braced with hollow square steel columns.

The cellar level is to contain utility equipment for electrical, gas, domestic water and fire protection systems.

The first floor is to contain an entrance foyer, elevator and common stairway. It also contains the lower level of the Unit #1 duplex.

The second floor is to contain the upper level of the Unit #1 duplex, elevator and common stairway.

The third floor is to contain the common stairway, elevator and Unit #2 which is a floor thru simplex, having a balcony.

The fourth floor is to contain the common stairway, elevator and Unit #3, which is a floor thru simplex having a balcony.

The fifth floor is to contain the common stairway, elevator and the lowest level of Unit #4 triplex.

The sixth floor is to contain the common stairway, elevator and middle level of Unit #4 triplex, which has a terrace on this level.

The seventh floor (mezzanine) is to contain the common stairway, elevator and top level of Unit #4 triplex, which has two terraces on this level.

There is one elevator in the Building. There are no recreational facilities in the Building and no on site parking facilities.

The heating is provided by split package HVAC systems (comprised of exterior heat pump condensing units and interior ducted air handling units). Each Condominium Unit is provided with its own dedicated heat pumps, which are either wall-mounted or roof top condensing units. The equipment is entirely electrical. Accordingly, each Condominium unit will be individually metered for this use.

Domestic hot water in each Condominium Unit is heated by an in-unit electric domestic water heater.

Gas for cooking will be individually metered for each Condominium Unit.

LOCATION AND AREA INFORMATION

Location:

The Property is located east of West Street and west of Greenwich Street on the east side of Washington Street, south of Watts Street and north of Desbrosses Street.

Surrounding Area:

Located in Tribeca, the Property is one block east of the Hudson River, and one block south of Canal Street. The area is home to a variety of shops, boutiques, cafes, and restaurants.

Recreational:

There are numerous recreational facilities in the vicinity of the Property. Among the most popular are the following:

American Piano Museum	291 Broadway
Battery Park	Battery Pl., State Street & Whitehall Street
Hudson River Park	Hudson River from 59th St. to Battery Park
New Museum of Contemporary Art	235 Bowery
New York City Fire Museum	278 Spring Street
Tribeca Film Center	375 Greenwich Street
Tribeca Performing Arts Center	199 Chambers Street
Washington Market Park	Greenwich, Chambers and West Streets

Transportation:

The Property is located less than 2 miles from the Brooklyn, Manhattan and Williamsburg Bridges, and only a short distance from the Holland Tunnel and the West Side Highway. Additionally, the Property is located approximately .7 miles from the PATH train at Christopher Street, which has service to New Jersey.

Subways:

The following subway lines serve the area:

#1 – Serves the Bronx and Manhattan; located at the intersection of Canal Street and Varick Street;

#2 - Serves the Bronx, Manhattan, and Brooklyn; located at the intersection of Canal Street and Varick Street;

#3 - Serves Manhattan and Brooklyn; located at the intersection of Chambers Street and West Broadway;

#4 - Serves the Bronx, Manhattan, and Brooklyn; located at the intersection of Canal Street and Lafayette Street;

#5 - Serves the Bronx, Manhattan, and Brooklyn; located at City Hall on Centre Street

#6 - Serves the Bronx and Manhattan; located at the intersection of Canal Street and Lafayette Street;

A - Serves Manhattan, Brooklyn, and Queens; located at the intersection of 6th Avenue and West Broadway;

C - Serves Manhattan and Brooklyn; located at the intersection of 6th Avenue and West Broadway;

E - Serves Manhattan and Queens; located at the intersection of 6th Avenue and West Broadway;

J - Serves Queens, Manhattan, and Brooklyn; located at the intersection of Canal Street and Centre Street;

Z - Serves Queens, Manhattan, and Brooklyn; located at the intersection of Canal Street and Centre Street;

N - Serves Queens, Manhattan and Brooklyn; located at Canal Street and Broadway;

Q - Serves Manhattan and Brooklyn; located at Canal Street and Broadway;

R- Serves Queens, Manhattan and Brooklyn; located at Canal Street and Broadway;

Bus Lines:

The following bus lines serve the area:

M5 - Trinity Place/Church Street/Avenue of the Americas – Fifth Avenue/Broadway; George Washington Bridge to South Ferry

M20 - Varick Street/Seventh Avenue/Eighth Avenue/Hudson; runs between Lincoln Center and Battery Park City;

M21 – Houston Street; rubs between 1st Avenue -27th Street and Hudson Street-Van Dam Street;

M22 - Madison Street and Chambers Street; runs between Lower East Side and Battery Park City;

Schools and Religious Facilities:

Colleges:

Borough of Manhattan Community College	199 Chambers Street
City University of New York	117 Lexington Avenue
New York Academy of Art	111 Franklin Street
New York University	22 Washington Square North
Pace University	1 Pace Plaza
St. Johns University	101 Murray Street

Public Schools:

Economics and Finance High School	100 Trinity Place
High School for Leadership and Public Service	90 Trinity Place
Millennium High School	75 Broad Street
P.S. 89	201 Warren Street
P.S 150	334 Greenwich Street
P.S. 234	292 Greenwich Street
Stuyvesant High School	345 Chambers Street
Unity High School	121 Sixth Avenue

Private Schools:	
St. Luke's School	487 Hudson Street
Transfiguration School	29 Mott Street
Xavier High School	30 West 16th Street

Nearby Places of Worship:

Church of Most Holy Crucifix	378 Broome Street
Civic Center Synagogue	49 White Street
Eastern States Buddhist Temple	64 Mott Street
Our Lady of Vilna Church	32 Dominick Street
St. Peter's Rectory	16 Barclay Street
True Light Lutheran Church	195 Worth Street
Trinity Church	Broadway at Wall Street
Young Israel of Fifth Avenue	421 Hudson Street

Medical:

Evergreen Medical Clinic	185 Canal Street
Judson Health Center	34 Spring Street
NYU Downtown Hospital	170 William Street

Public Libraries:

New Amsterdam Public Library	9 Murray Street

Police, Fire, Water, Sanitation, Snow Removal and Maintenance Services:

The above services are provided by the City of New York, and all other charges (except water) are incorporated in the City Tax.

The Property is covered by the 1st Precinct, which is located at 16 Ericsson Place. The nearest Firehouse is Fire Engine Company #7, located at 100 Duane Street.

Postal:

The zip code for the Property is 10013. The post office is the Canal Street Station located at 450 Canal Street, New York, New York 10013.

Zoning:

The Property is located in a C6-2A zoning district and in the Special Tribeca Mixed Use District also known as TMU. The C6-2A is a General Central Commercial District. General Commercial Districts are designed to provide for the wide range of retail, office, amusement service, custom manufacturing, and related uses normally found in the central business district and regional commercial centers but to exclude non-retail uses which generate a large volume of trucking.

The "Special Tribeca Mixed Use District" is designed to promote and protect the public health, safety, and general welfare. These general goals include among others, the following purposes:

a. To retain adequate wage, job producing, stable industries within the Tribeca neighborhood;
b. To protect light manufacturing and to encourage growth in the Tribeca neighborhood by permitting light manufacturing and controlled residential uses to coexist where such uses are deemed compatible;
c. To provide a limited new housing opportunity of a type and at a density appropriate to this mixed use zone;
d. To insure the provision of safe and sanitary housing units in converted buildings; and
e. To promote the most desirable use of land and building development in accordance with the Plan for Lower Manhattan as adopted by the City Planning Commission.

DEFINITIONS

"Appurtenant Interest"	-	With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.
"Assessments"	-	The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest, (except as otherwise provided in the Declaration or in the By-Laws).
"Board of Managers" or "Condominium Board"	-	The governing board of the Condominium composed of representatives elected by Unit Owners voting in accordance with their respective percentages of Common Interest.
"Building"	-	The structure located at 449 Washington Street, New York, New York 10013.
"By-Laws"	-	Means the document governing the operations of the Condominium, including the rules and regulations, which are annexed to the Declaration, as the same may be amended from time to time.
"Common Charges"	-	Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.
"Common Elements"	-	All portions of the Property other than Units. Common Elements are comprised of General Common Elements and Limited Common Elements.
"Common Expenses"	-	a) Expenses of operation of the Property, and b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.

"Common Interest"	-	The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as expressed in the Declaration.
"Condominium"	-	A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan "Condominium" specifically refers to "449 Washington Condominium."
"Condominium Act"	-	Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.
"Condominium Documents"	-	The Declaration and all Schedules thereto, the By-Laws, the Rules and Regulations, the Floor Plans, form of Unit Deed and the form of Unit Owners Power of Attorney.
"Declaration"	-	The instrument, as may be amended from time to time, by which the Property is submitted to the provisions of the New York State Condominium Act, consistent with the provisions of the New York Condominium Act and the By-Laws.
"First Unit Closing"	-	The first closing of title with a bona fide purchaser of a Unit.
"Floor Plans"	-	The floor plans of the Units certified by a licensed engineer or registered architect, and filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.
"General Common Elements"	-	Shall mean those certain portions of the Property (other than the Units) as well as the fixtures and equipment therein, either existing for the common use of the Units or the Unit Owners or necessary for or facilitating the existence, maintenance, operations or safety of the Property, as more particularly described in the Declaration.
"Institutional Lender"	-	Means a savings and loan association, credit union, savings bank, commercial bank or trust company or a foreign banking institution authorized to do business in New York; an insurance company, education institution, welfare,

pension or retirement fund or system, any other entity subject to supervision and regulation by the insurance or banking department of the State of New York or by a department or agency of the United States exercising similar functions (or any successor department or departments hereafter exercising the same function as said departments), any governmental agency or entity insured by a governmental agency, a finance company, a private mortgage company, a conduit or pooled mortgage investment fund, a real estate investment trust, an investment bank, mutual fund, commercial credit corporation, savings and loan association, or any combination of Institutional Lenders, other lenders generally considered an "institutional" real estate lender and which makes loans secured by real estate as an ordinary part of its business.

"Insurance Trustee" - A bank, a trust company or savings and loan association, having both an office in the City of New York, from time to time appointed to serve as such by the Condominium Board.

"Land" - All that certain tract, plot, piece and parcel of land situate, lying and being in the County of New York, City and State of New York, as more particularly described in Schedule A to the Declaration.

"Law" - The laws and ordinances of any or all of the Federal, New York State, New York City, and New York County governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Elements" - Shall mean those certain portions of the Property (other than the Units) as well as the fixtures and equipment therein, either existing for the use and enjoyment of a particular Unit Owner or certain Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration.

"Majority"	-	Majority of Unit Owners means either (i) more than fifty per cent in Common Interest in the aggregate, or (ii) more than fifty per cent in number of Units in the aggregate, or (iii) more than fifty per cent in the aggregate in both Common Interest and in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters. Any specified percentage of Unit Owners means (i) such percentage in Common Interest in the aggregate, or (ii) such percentage in number of Units in the aggregate, or (iii) such percentage in Common Interest and such percentage in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, provided, however, that different percentages in interest and in number of Units may be so specified.
"Managing Agent"	-	A person employed by the Condominium Board pursuant to Article II, Section 3 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in such Section of the By-Laws.
"Offering Plan"	-	The document filed with the New York State Department of Law which describes the condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time. Sometimes herein referred to as the "Plan".
"Operation of the Property"	-	The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.
"Person"	-	A natural person, corporation, partnership, association, trustee or other legal entity.
"Property"	-	Means and includes the Land, the Building and all other improvements thereon, (i) owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.

"Purchaser"	-	Any Person who has entered into an agreement with Sponsor to purchase any Unit and is not in default thereunder.
"Recording officer" and "Recording" or "Recorded"	-	Shall have the meanings stated in section two hundred ninety of the New York State Real Property Law.
"Residential Unit"	-	A designated apartment in the Building comprising the Condominium, which is owned in fee simple absolute.
"Residential Units"	-	Collectively, all the apartments in the Building.
"Residential Unit Owner"	-	Means the person, persons or entity owning a Residential Unit in fee simple absolute.
"Rules and Regulations"	-	The rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.
"Selling Agent"	-	The entity which on behalf of the Sponsor, originates and supervises sales of Units. Corcoran Group is the Selling Agent.
"Sponsor"	-	The promoter of the project and/or Offering Plan to convert a particular parcel of property to Cooperative or Condominium Ownership; 449 Washington LLC is the Sponsor of this Offering Plan.
"Sponsor-designee"	-	Any Person designated by Sponsor to hold title to any Unit. Sponsor's statement in writing that a Person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all the rights of a Sponsor-designee under this Offering Plan. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such subsequent designee shall also be deemed a "Sponsor-designee".
"Unit"	-	Any space in the Building designated as a Unit. Such Units are a part of the Property intended for any type of legal use or uses, and adjoin an exit to a public street or highway or a Common Element or elements leading to a public street or highway, and may include such appurtenances as a storage

room, balcony, or terrace. Any mechanical equipment located outside a Unit which only services a particular Unit shall be a fixture which is the personal property of the Unit Owner of the Unit it services. Such Unit Owner shall be responsible for the cost of any maintenance, repair or replacement of such mechanical equipment.

"Unit Deed" - The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.

"Unit Designation" - The number, letter or combination thereof or other official designations confirming the tax lot number, if any, designating the Unit in the Declaration and on the Floor Plans.

"Unit Owner" - The person or persons, or entity owning a Unit in fee simple absolute. It collectively means the respective owners of the Residential Units.

"Unsold Units" - Any Unit owned by Sponsor or its designee at the time in question.

449 WASHINGTON CONDOMINIUM
449 Washington Street
New York, New York
SCHEDULE A
Offering Prices and Related Information
(All Projected Charges are for the Twelve Month Period
Commencing July 1, 2013 and Ending June 30, 2014 except as noted)

Unit(1)	Number of Bedrooms & Baths(2)	Approx. Sq. Ft. Area(3)	Approx. Sq. Ft. Area of Terrace or Balcony*	Offering Price(4)	Pctg. of Common Interest(5)	Estimated Annual/Monthly Common Charges(6)	Estimated 2013/2014 Annual/Monthly Real Estate Taxes(7)	Estimated Annual/Monthly Carrying Charges(8)	Estimated Annual/Monthly Carrying Charges Deductible for Income Tax Purposes(9)
1	3/3.5	3,236	–	$6,600,000.00	33.28	$34,595.88/ 2,882.99	$39,984.12/ 3,332.01	$74,580.00/ 6,215.00	$39,984.12/ 3,332.01
2	2/2.0	1,665	32 B	3,000,000.00	17.12	17,800.44/ 1,483.37	20,572.80/ 1,714.40	38,373.24/ 3,197.77	20,572.80/ 1,714.40
3	2/2.0	1,666	32 B	3,100,000.00	17.13	17,811.12/ 1,484.26	20,585.16/ 1,715.43	38,396.28/ 3,199.69	20,585.16/ 1,715.43
4	3/2.5	3,157	528 T 778 T 317 RT	10,000,000.00	32.47	33,751.32/ 2,812.61	39,007.92/ 3,250.66	72,759.24/ 6,063.27	39,007.92/ 3,250.66
				$22,700,000.00	100.00	$103,958.76/ 8,663.23	$120,150.00/10,012.50	$224,108.76/18,675.73	$120,150.00/10,012.50

* B denotes Balcony; T denotes Terrace; RT denotes Roof Terrace

NOTES TO "SCHEDULE A" OFFERING PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

1. Prospective Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of Units. Each Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

2. Residential Unit plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan.

3. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A is approximate and may change due to field conditions and construction variances and tolerances. The square footages were obtained by using the method customarily used in New York City to measure rental and condominium apartments. As is customary, these square foot areas of Residential Units exceed the usable floor area of each Unit. T denotes that the Unit has exclusive use of a Terrace. RT denotes that the Unit has exclusive use of a Roof Terrace. B denotes that the Unit has exclusive use of a Balcony.

   For measurement purposes, the approximate square foot area of each Residential Unit is measured horizontally on each of one or more floors from the exterior side of the glass or the exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Element or Limited Common Elements or to the opposite exterior side of the glass or the exterior walls of the Building, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

4. The offering prices and other terms of sale of Units may be negotiated by the Sponsor and, therefore, may be changed. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. In addition, the Sponsor has reserved the right to change the purchase prices of Units not subject to executed Purchase Agreements. Accordingly, Purchasers may pay different purchase prices for similar Units.

   Sponsor's right to make changes in offering prices is set forth in section of the Plan titled "Changes in Prices and Units."

   In addition to the purchase price, Purchaser will be responsible at closing of title for certain other expenses as explained in the section titled "Unit Closing Costs and Adjustments" at page 58. One of these costs is that at the time of the first closing of title to each Unit, the Purchaser of such Unit shall pay into the Working Capital Fund of the Condominium the sum equal to three (3) months of Common Charges for the Unit being purchased at the time of the closing.

While general guidelines to certain expenses of Purchaser are approximated in such section, Sponsor is unable to approximate the total amounts which will be incurred by Purchasers because these will vary according to such factors as the cost and size of a particular Unit, whether mortgage financing is obtained and Purchaser's attorney's fees. Purchasers are advised to consult with their attorney as to the exact closing costs they will incur in purchasing their Unit.

5. The percentage of Common Interest allocated to each Unit is based upon respective floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to Section 339-i(1)(iv) of the Real Property Law, which is part of Article 9-B of the Condominium Act. The aggregate Common Interest of all Units equals 100%.

6. These estimates were based upon the "Projected Budget for the First Year of Condominium Operation" (the "First Year's Budget"), which was prepared for the year commencing July 1, 2013. However, the actual first year of Condominium Operation may commence earlier or later than July 1, 2013. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the projected commencement date, the Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed the projections contained in Schedule B or the Sponsor's then most recent Schedule B, by 25% or more, the Sponsor will offer all purchasers the right to rescind for a period fifteen (15) days after the date of presentation of the amendment setting forth the right to rescind.

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

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and FCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a

FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years from the date of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO for the entire building, and shall exercise best efforts to obtain the FCO within such two year period while keeping the TCO current. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings.

Furthermore, because Sponsor and the by-laws of the Condominium may permit unit owners to undertake renovations to individual units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf

7. The figures set forth in column numbered 7 are based upon the post-construction appraisal of the assessed valuation as estimated by Jerome Mazursky of The Mazursky Group, Inc., 42 Broadway, Suite 1744, New York, New York 10004.

It is anticipated that most construction will occur in the last three quarters of 2012, and that construction will be mostly complete by December 31, 2012. This date is after the January 5 tax status date for the tax year 2012/2013, but before the January 5 tax status date for the tax year 2013/14. It is projected that the post-construction assessed valuation will be fully implemented in tax year 2013/2014, covering the period July 1, 2013 through June 30, 2014. The projection assumes a tax rate of 13.35%. Since the Condominium will contain only four (4) Residential Units it is projected that the entire Condominium will be classified as residential Tax Class 2C. Tax Class 2C consists of residential cooperatives or condominiums with no more than ten units. The City's assessment ratio policy for both tax classes is to assess at 45% of market value based upon the value as an income-producing property. Increased values for Tax Class 2A and 2C properties, other than for physical reasons, are limited to 8% per year or 30% over a five-year period. Increases for renovations are limited to 15% of the normal renovation costs.

The assessed valuation of the Property during construction and post-construction, with the post-construction as projected by Jerome Mazursky, is as follows:

	Land	Total
2011/2012	$162,000	$531,000
2012/2013	$162,000	$487,800
2013/14 (est.)	$162,000	$900,000

The first post-construction year of 2013/2014 is a more realistic projection of real estate taxes on a long term basis than using any period prior to that time, which will reflect a partially completed building.

The allocation of projected real estate taxes among the units is based upon the percentage of common interest allocated to each Unit. No warranties are made that the assessments of the individual Units will be arrived at in such manner.

If, on the date of the First Unit Closing each of the Units shall not have been separately assessed as an independent tax lot, then until such time as said independent tax assessment shall be made and in effect, each Unit Owner, including Sponsor shall be nonetheless responsible for the cost of their proportional amount of the aggregate real estate taxes, with each Unit Owner paying on the basis of the percentage of Common Interest.

8. The figures set forth in column numbered (8) equal the sum of Estimated Annual/Monthly Common Charges (column 6) and Estimated Annual/Monthly Real Estate Taxes (column 7).

9. The figures set forth in column numbered (9) equal the Estimated Annual/Monthly Real Estate Taxes set forth in column (7). The projected tax deduction may vary in future years due to changes in the interest rate on the Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
Beginning July 1, 2013

Projected Income (1)	$103,958.79
Common Charges for Residential Units	$103,958.79
TOTAL	
Projected Expenses	
Superintendent/Lobby Attendant (2)	$30,000.00
Cyberdoorman (3)	4,980.00
Gas (Common Areas) (4)	0.00
Electricity (5)	5,911.00
Water Charges and Sewer Rents (6)	6,032.00
Repairs, Maintenance and Service Contracts (7)	13,001.74
Supplies (8)	2,000.00
Insurance (9)	14,883.00
Management Fees (10)	12,000.00
Legal and Audit (11)	4,000.00
Telephone (12)	1,800.00
Contingencies (13)	9,351.05
Total	$ 103,958.79

Sponsor anticipates the First Condominium Unit closing of title to occur on or about July 1, 2013, which corresponds to the projected start date of the Budget for First Year of Condominium Operation. If the First Condominium Unit closing of title is delayed more than six (6) months from the projected start date of July 1, 2013, the Offering Plan will be amended to include a revised budget. Additionally, Sponsor represents that if, at a future date prior to the First Unit Closing, the Plan must be amended to include a revised projected budget and such amended projections exceed the projections set forth above by twenty-five percent (25%) or more, each Purchaser shall have the right to rescind his or her Purchase Agreement for a period of fifteen (15) days subsequent to the date of presentation of such amendment, and, if not otherwise in default, have his deposit promptly refunded. If the First Unit Closing of title is delayed more than twelve (12) months from the projected start date of July 1, 2013, purchasers shall be offered in writing the right of rescission for a period of fifteen (15) days subsequent to such written notification. Sponsor has attempted to make accurate estimates. However, due to inflation, changes in the economy and unforeseen factors, it is likely that actual expenditures will differ from estimates set forth herein. Sponsor may not declare the Offering Plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan.

NOTES TO SCHEDULE B

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

1. Common Charges

Annual Common Charges to be collected during the first year of Condominium Operation are based upon the estimated net total of Common Expenses for the Property. Each Unit shall pay Common Charges according to its percentage of Common Interest. There are no exemptions for any Unit with respect to any budget item.

2. Superintendent and Lobby Attendant

Based upon the cost of a visiting (non-resident), non-union superintendent on a part time basis and as needed basis and as required by law. The superintendent would be responsible for various repairs and maintenance of Common Elements. It is Sponsor's opinion that this level of staffing in a Condominium complies with all applicable housing and labor laws. The cost of New York State Disability insurance and the payment of Worker's Compensation, which shall be a Common Expense of the Condominium, is included in the projection for insurance. The remuneration received by the superintendent for the number of hours on a part time basis will comply with the State Wage Order for Building Service employees.

The superintendent's responsibilities include the following:

Common Areas:

- Sweep & Mop/ Clean Lobby
- Clean Lobby Glass
- Sweep & Mop & Clean Elevator
- Sweep & Mop Hallways
- Sweep & Mop Basement - Boiler Room, Meter Rooms, Etc...
- Sweep, Mop & Clean Bathroom
- Sweep & Mop Compactor room
- Maintain Roof Drain
- Replace light bulbs throughout building (As Needed)
- Touch-up painting (as needed)
- Maintain Clean Stairs/Stoop/ Access Ramp

Sidewalk:

- Sweep front of building and 18 inches into the street
- Hose sidewalk (seasonal)
- Shovel snow (if necessary) from sidewalk in front of building in a timely manner after a storm.

Refuse & Recycling - Refuse: Monday Wednesday Friday/Recycling: Friday:

- Collect, Process and put out trash and recyclables (M/W/F). Recyclables out Friday.

- All boxes should be broken down and tied up.
- The basement area and Compactor room should be kept clean at all times.

Vendors & Emergencies (As Needed):

- Meet with Vendors
- Respond to Emergencies

The budget projection also includes a provision for a part time lobby attendant. The projected hours for the lobby attendant are Monday through Friday 10 a.m. to 3 p.m. The lobby attendant and visiting superintendent shall be the same individual. The lobby attendant will perform a hybrid of doorman/concierge duties. They are as follows:

Caretaking/ Hybrid Services:

Doorman:

- Greet residents & guests
- When possible, open doors for all residents and guests
- Receive packages/ deliveries for residents and give proper notification
- Assist guests/ residents with luggage
- Monitor/ supervise moves and alterations happening inside building
- Monitor security devices in building.

Caretaking/Concierge

- Assist residents with hailing taxi, ordering car service
- Assist residents with household maintenance (change bulbs, move furniture, maintain hvac filters, etc.)
- Assist residents with domestic responsibilities (walk dog, park car, pickup paper towels, etc.)

The budget allocations for superintendent/Lobby Attendant is $30,000.00 per annum.

The cost of the superintendent and lobby staff shall be paid according to each Unit's percentage of Common Interest as part of the Common Charges. There are no exemptions for any Unit with respect to any budget item.

3. Cyberdoorman

Based upon a proposal dated December 12, 2012 from Virtual Service for silver level virtual doorman service for four (4) Residential Units Monday through Friday: 11 a.m. - 5 p.m. The proposal is for five years. At $415.00 per month x 3 months equals $1,245.00. 1245 x 4 = $4,980.00. Virtual Doorman answers the door when the super/lobby attendant is not present and the unit owner is not home.

4. Gas (Common Areas)

Cooking gas for each Unit is provided by separate facilities servicing each unit. Each Unit Owner will pay separately for the heat, hot water and cooking gas supplied to his or her unit. Please refer to Schedule B-1.

5. Electricity

The projection is based upon an estimate dated November 4, 2012, prepared by Abraham Joselow, P.E. PC Consulting Engineer, 45 West 34th Street, Suite 1101, New York, New York 10001. It is for common electrical use only, such as public interior and exterior lighting, ventilation, elevator, fans etc.

a) Power for intercom and elevator: 28,188 kilowatt hours @ $0.20 per kWh equals $5,638 per year.

b) Power for common area lighting: 100 watts for 10 hours per day (exterior lighting), 965 watts for 24 hours per day (at Entry Foyer, hallway, and egress stairs), 184 watts for 4 hours per day (miscellaneous Cellar areas); total equals 1,363 kWh @ $0.20 per kWh which equals $273 per year.

5,638
273
$5,911

Each Unit Owner will be separately metered and billed for electricity use within his own Unit, which includes heat and hot water.

6. Water Charges and Sewer Rents

The projection is based upon an estimate dated November 4, 2012, prepared by Abraham Joselow, P.E. PC Consulting Engineer.

The projection is as follows: 68,705.9 cubic feet (513,920 gallons) per year

Water costs were computed at $8.78 per 100 cubic feet of water residential usage, with each person using approximately 80 gallons of water per day with ten percent added for miscellaneous usage. The projection equals $6,032 per year. Costs include taxes.

7. Repairs, Maintenance and Service Contracts

Based upon the fact that the Building is newly renovated. The figure does not include maintenance and repairs and supplies within specific Units, which are the obligation of the Unit Owner, but is designated to cover the cost of maintaining the Common Elements only. Each Unit Owner will be responsible for the cost of interior maintenance, repairs, decoration and painting of their respective Units, including, but not limited to the appliances. No provision has been made to cover the cost of any major capital

expenditure. Although no such expenditure is expected because the Building has been newly constructed, each Unit Owner will be obligated to pay his pro rata share of such expenditures in the event that any such expenditures are required.

Since the building is in the process of being renovated, it has no operating history upon which to project future costs for repairs and maintenance; therefore, the figures herein are estimated based on costs for comparable buildings.

The Condominium should periodically inspect the Building exterior with respect to caulking, painting, pointing and roofing to ensure that there will be no leaks or deterioration of the exterior finishes, including the windows and terrace doors, as a result of exposure to the natural elements.

The estimate includes the following proposal service contracts:

a) An elevator maintenance proposal dated January 9, 2013 from Noble Elevator Company, Inc., 870-2 Marconi Avenue, Ronkonkoma, New York 11779. It is a five year proposal at $4,200.00 plus tax for the first year ($4,572.75). The second year is $4,320 plus tax. The third, fourth and fifth years at $4,440, $4,560 and $4,680 respectively, plus tax.

b) A proposal dated May 8, 2012 for a sprinkler inspection contract from The Petzvel Corp., located at 389 Broome Street, New York, New York. The proposal, for monthly inspections, is $2,000.00 plus tax per annum.

2000.00 x 8.875% = $177.50
2000.00 + 177.50 = $2,177.50

c) A proposal dated May 8, 2012 for a visit every month from Liberty Pest Control, located at 8202 17th Avenue, Brooklyn, New York 11214. The cost per month is $69.00 plus tax.

69 x 12 = 828.00 x 8.875% = 73.49
828.00 + 73.49 = $901.49

A summary of proposed service contracts is as follows:

elevator	$4,572.75
sprinkler inspection	2177.50
pest control	901.49
	7,651.74

Other costs are estimated as follows:

Power Washer for sidewalk	150.00
Backflow Preventer Inspection & Testing	500.00
Plumbing maintenance	2000.00
HVAC Service for Common Areas Only; servicing filters, start-up; winterization	1200.00

General Repairs and Maintenance	1500.00
	5,350.00

7,651.74
5,350.00
13,001.74

All Units will share in the cost of Repairs, Maintenance and Service Contracts and will pay according to their percentage of Common Interest.

Sponsor has reserved the right, prior to the First Unit closing, to enter into other service contracts which will be binding on the Board of Managers, provided that such contracts do not materially increase the estimated Common Charges for the first year of the Condominium Operation nor bind the Board of Managers for a period of more than two years from the date of the First Unit Closing, unless it is customary for such type of contract to be more than two years.

8. Supplies

This item includes the cost of various services and supplies for cleaning of the common areas, materials, bulbs and garbage bags.

9. Insurance

The projection is based upon a proposal from Meridian Risk Management, P.O. Box 8419, Pelham, New York 10803. It includes an all risk replacement policy which includes at least an eighty percent (80%) co-insurance provision so that the insured shall not be a co-insurer.

The proposed insurance coverage as set forth below, is quoted by The Charter Oak Fire Insurance Company, underwritten by The Travelers Indemnity Company and Its Affiliates as costing $14,883 for the first year.

POLICY LEVEL COMMERCIAL GENERAL LIABILITY COVERAGES AND OPTIONS

COVERAGE DESCRIPTION	LIMIT/TIMEFRAME
General Aggregate	$2,000,000
Products and Completed Operations Aggregate	$2,000,000
Each Occurrence	$1,000,000
Personal Injury and Advertising Injury	$1,000,000
Medical Expenses	$5,000
Broad Form Property Damage Liability	Included
Insured Contracts (As Defined)	Included
Employee Benefits Liability	Not Covered
Directors & Officers	Included

Printers Errors & Omissions	Not Covered
Damage to Premises Rented to You	$300,00
Hired Auto	Not Covered
Non-Owned Auto	Not Covered
Liquor Liability (Subject to Premium Audit)	Not Covered
Liability for Non-Owned Watercraft up to 26 Feet	Included
Liberalized Subrogation Against Unit Owners - Except for Losses due to Employee Dishonesty and Theft	Waived
Limited World Wide Liability (Lawsuits brought in the US) (As Defined)	Included

DESCRIBED PREMISES LEVEL COVERAGES AND OPTIONS

COVERAGE DESCRIPTION	DEDUCTIBLE	LIMIT/TIMEFRAME
Building - Replacement Cost	$2,500	$5,000,000
Building Coinsurance - Waived	N/A	N/A

ADDITIONAL DESCRIBED PREMISES LEVEL COVERAGES AND OPTIONS

COVERAGE DESCRIPTION	DEDUCTIBLE	LIMIT/TIMEFRAME
Accounts Receivable		
On Premises	None	Not Covered
Off Premises	None	Not Covered
Broadened Wind	N/A	Not Covered
Building Glass	None	Included
Debris Removal	$2,500	$25,000 excess of 25% loss
Earthquake Coverage	5%	Included in EQ Limit
Electronic Data Processing Equipment and Data & Media	N/A	Not Covered
Equipment Breakdown:	$2,500	Included
Diagnostic, Power Generating, and Production Equipment		$100,000
Flood Coverage	See Flood Limit	Included in Flood Limit
Garagekeepers:		
Comprehensive	N/A	Not Covered
Collision	N/A	Not Covered
Money and Securities (Not Theft of)	N/A	Not Covered
Money and Securities, Theft of	N/A	Not Covered
Money Orders and Counterfeit Paper Currency	$2,500	Not Covered
Ordinance or Law:	$2,500	$25,000
Outdoor Property Including:		
Bridges, Walks, Roadways, Patios,	$2,500	$10,000

or Paved Surfaces, Radio & TV Antennas		
Peak Season	N/A	Not Covered
Property Off Premises - Including Transit	N/A	Not Covered
Personal Effects	$2,500	Not Covered
Personal Property of Others	N/A	Not Covered

The Sponsor represents that it shall initially provide on behalf of the Condominium at the Condominium's expense, to be effective at the First Unit Closing, fire and casualty insurance in the amounts as set forth above. The policy will provide that each Unit Owner will be an additional insured and if permitted by the insurer, that there will be no cancellation without notice to the Board of Managers and the Unit Owners. In addition, the policy will contain a waiver of subrogation, a waiver because of the acts of the insured and Unit Owners and will waive a pro rata reduction if additional Unit Owners obtain coverage.

No coverage is provided for such risks as fire and casualty losses to the contents of each individual Unit, nor does the coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Unit Owner is included in the coverage provided above. Prospective purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

The Sponsor will deliver a fire and liability insurance binder or policy to the Board of Managers prior to or at the First Unit Closing. The cost for such binder or policy will be paid by the Board of Managers and shared by all Unit Owners as a portion of the Common Charges.

Each Unit will share in the cost of this Insurance budget item and will pay according to its percentage of Common Interest as part of the Common Charges.

10. Management Fees

At or prior to the First Unit Closing, the Board of Managers will enter into an agreement with Bosse Property, LLC, having an office at 457 Washington Street, 2nd floor, New York, New York 10013, for a term of one (1) year, commencing on the date of the First Unit Closing at an annual fee of $12,000.00, payable in twelve (12) equal monthly installments. Please consult the section of the Plan titled "Management Agreement and Other Contractual Arrangements" for further discussion. Each Unit will share in the cost of this Management Fees budget item and will pay according to its percentage of Common Interest as part of the Common Charges.

11. Legal and Audit Fees

Based upon the following estimates:

Legal Fees:	$ 1,000.00
Audit Fees:	$ 3,000.00
	$ 4,000.00

Rosenblum, Mishkin & Company, LLP certified public accountants, having an office at 980 Old Country Road, Plainview, New York 11803 has estimated that it would cost approximately $3,000.00 to prepare an audited financial statement for the first year of condominium operations and to prepare income tax returns. The budget also includes a provision for incidental legal services such as attendance at one or more Unit Owner meetings and furnishing answers to possible legal questions which may arise. Each Unit will share in the cost of this Legal and Audit Fees budget item and will pay according to its percentage of Common Interest as part of the Common Charges.

12. Telephone

Based on the cost of four (4) phone lines (i.e., one for elevator, two for fire and one for lobby)

13. Contingency

The contingency provides for possible expenses not included in the projected budget or possible increases in one or more categories of operating expense beyond the projected amounts. There can be no assurance that such fund will be sufficient to pay for major capital repairs or replacement items which may be needed within the first five years of condominium operation. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. Each Unit will share in the cost of this Contingency budget item and will pay according to its percentage of Common Interest as part of the Common Charges.

SCHEDULE B-1

PROJECTED BUDGET FOR INDIVIDUAL RESIDENTIAL UNIT ENERGY COSTS DURING FIRST YEAR OF OPERATION, COMMENCING JULY 1, 2013

The projected individual Resident Unit energy costs were prepared by Abraham Joselow P.E. Consulting Engineers located at 45 West 34th Street, Suite 1101, New York, New York 10001, by letter dated November 4, 2012.

Individual Unit Utility Costs:

a. Unit 1A (3 Bedroom apartment):	
i. Electric Costs per year	28,498.98 kWh @ $0.20 per kWh = $5,699.80
ii. Gas Costs per year	122 Therms @ $1.50 per Therm = 182.63
b. Unit 2A (1 Bedroom apartment):	
i. Electric Costs per year	15,425.31 kWh @ $0.20 per kWh = $3,085.06
ii. Gas Costs per year	46 Therms @ $1.50 per Therm = 68.49
c. Unit 3A (1 Bedroom apartment):	
i. Electric Costs per year	15,425.31 kWh @ $0.20 per kWh = $3,085.06
ii. Gas Costs per year	46 Therms @ $1.50 per Therm = 68.49
d. Unit 4A (3 Bedroom apartment):	
i. Electric Costs per year	26,598.07 kWh @ $0.20 per kWh = $5,319.61
ii. Gas Costs per year	122 Therms @ $1.50 per Therm = 182.63

The above is based on the following assumptions:

1. Masonry walls, insulated roof and double-glazed thermal windows.

2. 11 person (1.5 people per 1 bedroom, 4 people per 3 bedroom occupancy).

3. Water consumption at 80 gallons per day, per person, and 10% added for miscellaneous usage.

4. Heating provided per New York Code minimum requirements of 68 degree F with outside air temperature 5 degree F during day usage and reduced heating during evening hours.

5. Energy efficient lamps are used throughout.

BOSSE

Bosse Property, LLC
457 Washington Street, 2nd floor
New York, NY, 10013

Tel: 212.966.8564
Fax: 866.261.4819
Email: mpligavko@bosselimited.com

August 8, 2012

449 Washington LLC
415 Washington Street, Suite 1B
New York, NY, 10013

RE: Plan of Condominium Conversion
449 Washington Street
New York, New York, 10013
Compliance with Real Property Law Section 339-i

Gentlemen/ Mesdames:

Our firm, Bosse Property, LLC has been retained by the Sponsor to prepare this opinion concerning compliance with Section 339-I of the New York real Property Law.

Our experience includes eleven (11) years of managing buildings. Bosse Property, LLC currently manages 6 condominium buildings located in Manhattan, New York.

The allocation of percentage of Common Interest for the Condominium Units in the plan is made pursuant to Section 339-i(l)(iv) of the Real Property Law, which considers each Units floor space, location, uniqueness, overall dimensions and similar factors of relative value to other spaces in the Condominium.

Very truly yours,

Michael Pligavko
Principal
Bosse Property, LLC

CHANGES IN PRICES AND UNITS

Subject to conditions hereinafter set forth, Sponsor has the right to change the amount of any purchase prices from the amounts shown in Schedule A of the Plan. The purchase prices set forth in Schedule A must be changed by a duly filed amendment to the Plan when the change of price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. The Sponsor may enter into a Purchase Agreement with an individual non-tenant Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment. Purchase prices are negotiable. The Sponsor also reserves the right to negotiate the following aspects of the purchase price of Units: decorating allowances, payment of fees otherwise paid by Purchasers, payment of all or part of Purchaser's financing costs, price reductions tied to rental of Units, reduced down payment deposits (but at least $50,000.00) and extra custom work. Furthermore, Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms. No party will have the right to approve any changes in price, whether before or after the First Unit Closing.

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

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective Purchasers, or for any other reason, Sponsor reserves the right to change: (a) the layout of, or number of rooms in, Unsold Units and (b) the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, by combining two or more separate Unsold Units into one or more Unsold Units, by altering the boundary walls of any Unsold Unit, or otherwise, including, without limitation, the use of any portion of the Common Elements adjacent to such Unsold Units to the extent that such portion is not required to be maintained as Common Elements pursuant to the terms of the Declaration and By-Laws. Subject to the terms of the last two paragraphs of this section, such right may be exercised by Sponsor from time to time, both before and after the First Unit Closing, without the consent or approval of any Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party. However, Sponsor will first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by law. No change will be made by Sponsor in the size or number of Units, their respective percentages of Common Interest, or in the size or quality of Common Elements except by amendment to the Offering Plan and, when applicable, to the Declaration. Unless the affected Purchaser provides a written consent, no material change will be made by Sponsor in Unit size, layout or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and such Purchaser is not in default.

No material change will be made in the size or quality of Common Elements unless all Purchasers not in default consent in writing to such change.

The Sponsor also reserves the right to substitute for any of the materials specified in the Alteration Plans, the Description of Property and Building Specifications, or elsewhere in

the Plan materials of equal or better quality. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures, appliances and equipment of equal or better quality for any of those set forth in the specifications or otherwise in this Plan.

If Sponsor changes the size and/or number of Unsold Units, Sponsor will increase or decrease the Common Interests appurtenant thereto accordingly. However, the aggregate amount of the Common Interests of all the Units will always remain at 100%. The percentage of Common Interest must be in accordance with Real Property Law section 339-i(1)(iv). As a result of such reapportionment, the amount of the Common Charges and the real estate taxes and assessments payable by the owners of the Unsold Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges and the real estate taxes and assessments payable by the owners of Units unaffected thereby will not vary.

This Plan will be amended to reflect any change in the size of a Unit, number of Units, percentage of Common Interests of Unsold Units or a change in the size or quality of any Common Element. However, the layout and number of rooms in Unsold Units may be changed without prior notice. The Plan will be amended to reflect any such changes prior to executing a Purchase Agreement for any such Unsold Units.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls, or otherwise, nor may the Common Interest of any Unit be changed, unless the Declaration is amended and such amendment is duly recorded. The Plan will be amended in the event of any such changes. As more particularly provided in the Declaration, Sponsor or its designee, as the owner of an Unsold Unit, will have the right itself to so amend the Declaration to effectuate such change to any of its Units, without the Condominium Board, the other Unit Owners or any mortgagee consenting to, or executing, such amendment. However, no change of a Unit's Common Interest will be made without obtaining the prior written consent of the owner of such Unit.

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

INTERIM USE AND OCCUPANCY AGREEMENTS

Sponsor or its designee reserves the right, freely and without restriction, to rent or lease vacant Units, to Purchasers and non-Purchasers at any time, both before and after the First Unit Closing. However, once a Purchase Agreement is signed for a vacant Residential Unit, and for so long as such Purchase Agreement is in effect, such Unit may only be rented to the Purchaser thereof. Such agreement (an "Interim Use and Occupancy Agreement") will be for such use and occupancy fee, and upon such other terms as may be mutually agreed upon. The term of such Interim Use and Occupancy Agreement shall be for a period which will expire on the earlier of the date of the closing of such Unit or any other date which is mutually agreed upon by Sponsor or its designees and the proposed occupant. In the event this Plan is abandoned, the Purchaser may, at any time at his or her sole option, cancel the use and occupancy agreement and remove from the Building upon thirty (30) days' prior written notice to the Sponsor at the address set forth on the cover page of this Plan. Additionally, in the event of such abandonment, the Purchaser who has entered into an Interim Use and Occupancy Agreement shall continue to be subject to whatever rental laws he or she was subject to prior to such abandonment. Should Purchaser rescind his or her Purchase Agreement pursuant to any permitted rescission, the Interim Use and Occupancy Agreement shall terminate thirty (30) days thereafter and Purchaser shall be obligated to vacate the apartment no later than that time.

An Interim Use and Occupancy Agreement will provide that an uncured default by the Purchaser under this Purchase Agreement will constitute a default under the Interim Use and Occupancy Agreement, entitling the landlord (i.e., Sponsor), at its sole option, to terminate the Interim Use and Occupancy Agreement. The Purchase Agreement contains a similar cross-default provision entitling Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under the Interim Use and Occupancy Agreement within any applicable grace period. However, before the Sponsor may utilize a default under the Interim Use and Occupancy Agreement to declare a default under the Purchase Agreement, the Sponsor must (i) obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim occupant or (ii) the interim occupant must have vacated the Unit. The interim occupant must vacate the Unit within five (5) days after any default under the Purchase Agreement which remains uncured after thirty (30) days.

Sponsor's right and its designee's right to rent or lease any Unsold Unit will not be subject to any right of first refusal in favor of the Condominium Board to lease such Unit from Sponsor or its designee on the same terms offered to the prospective tenant or occupant.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit in the Condominium, or the authorized parties thereof if the Person is other than a natural person, shall be required to execute, in duplicate, a Purchase Agreement in the form set forth in Part II at page 125 of this Plan and return it to the Sponsor, together with a check in the amount of ten percent (10%) of the purchase price, drawn to the order of "Stempel Bennett Claman & Hochberg, P.C., as attorneys." This deposit may be increased for special work ordered by the Purchaser and itemized in the Purchase Agreement. Stempel Bennett Claman & Hochberg, P.C. shall be the "Escrow Agent" pursuant to the Purchase Agreement and Offering Plan. Purchasers pursuant to this Offering Plan who have not had an opportunity to review the Offering Plan and any filed amendments for at least three (3) business days prior to their executing a Purchase Agreement shall be afforded seven (7) days after delivering an executed Purchase Agreement together with the required deposit to rescind the Purchase Agreement and have the full deposit refunded promptly. Such rescission must be in writing, addressed to the Sponsor, and be postmarked or hand delivered by midnight of the 7th day subsequent to Purchaser's executing and delivering such Agreement. Those Purchasers who execute a Purchase Agreement after having had an opportunity to review the Offering Plan and any filed amendments for not less than three (3) business days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

The Purchase Agreement shall not be binding upon the Sponsor until a duplicate thereof, executed by the Sponsor, is delivered to Purchaser. In any such case, unless the Purchase Agreement, executed as aforesaid, is delivered to Purchaser within twenty (20) days after same is received by the Sponsor, it shall be deemed rejected and cancelled and all monies paid by Purchaser shall be promptly refunded, without interest, and upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. The Sponsor shall have the right to reject the Purchase Agreement without cause or explanation to Purchaser, provided such rejection is not based upon sex, race, creed, color, national origin or ancestry or other ground proscribed by law.

After this Plan is declared effective, the Sponsor shall fix dates for closing title to all Units for which Purchase Agreements have been fully executed. Sponsor will give each Purchaser not less than thirty (30) days' prior written notice of the date, time and place (in the City of New York) for the transfer of title to his Unit. Purchasers may, but are not required, to waive this thirty (30) day notice. At title closing, such Purchaser shall pay the balance of the purchase price stated in the Purchase Agreement with his unendorsed, personal certified check or by official cashier's check. However, such Purchaser may apply the proceeds of any financing obtained, by such Purchaser, to make such payment. Sponsor anticipates the First Unit Closing to occur approximately July 1, 2013. If this First Unit Closing date is delayed more than twelve (12) months the Purchasers will be offered the right of rescission for a period of fifteen days subsequent to such written notification.

All checks constituting the "Down Payment" are to be made payable to the order of "Stempel Bennett Claman & Hochberg, P.C., as attorneys" and all checks in payment of the balance of the purchase price (due at the closing date) are to be made payable to the order of "Stempel Bennett Claman & Hochberg, P.C., as attorneys" or as otherwise directed by Sponsor, with all checks, in either case, drawn on a member bank of the New York Clearing House Association.

The Escrow Agent:

In accordance with Section 71-a(3) of the Lien Law the Sponsor has appointed the law firm of Stempel Bennett Claman & Hochberg, P.C., as Escrow Agent to hold all monies, including all deposits, downpayments or advances, received by Sponsor, directly or through its agents, employees or agents (if any) either prior to or subsequent to the first closing of title to a Unit ("Consummation of Plan"), in trust in a segregated special escrow account titled, "Stempel Bennett Claman & Hochberg, P.C., Escrow Agent for 449 Washington Street." The name of Purchaser and the apartment number shall be added to the title of the account, which shall be at Signature Bank, at its office located at 565 Fifth Avenue, New York, New York. Such funds shall be deposited within five (5) business days after the Purchase Agreement is executed by all necessary parties and held there until actually employed in connection with the Consummation of this Plan. The law office of Stempel Bennett Claman & Hochberg, P.C., is located at 675 Third Avenue, 31st Floor, New York, New York 10017. The signatories on this special escrow account authorized to withdraw funds are Richard C. Stempel, James R. Bennett and Steven R. Hochberg, all of whom are located at 675 Third Avenue, 31st Floor, New York, New York 10017. 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.

Sponsor shall deposit all downpayment deposits in an interest bearing escrow account, provided Purchaser furnishes an executed W-9 or W-8 form to Sponsor. Otherwise such funds shall be placed in an IOLA account with interest going to the State of New York. Sponsor may only post a bond or indemnity contract in lieu of depositing the downpayment in escrow provided it first obtains approval from the Department of Law under special circumstances in accordance with regulations of the Attorney General. In the event Sponsor seeks and obtains such approval, it will subsequently amend the Offering Plan prior to posting any bonds or indemnity contracts.

Section 71-a(3) of the Lien Law, as applicable herein, also provides in part for the following, although the Department of Law regulations are more restrictive, as previously noted:

As required by Section 71-a(3) of the Lien Law, the Purchase Agreement shall contain the following statement:

> "YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

The Escrow Account:

The Escrow Agent has established the escrow account at Signature Bank, located at 565 Fifth Avenue, New York, New York, in the State of New York ("Bank"), a bank authorized to do

business in the State of New York. The escrow account is titled Stempel Bennett Claman & Hochberg, P.C. Escrow Management Account ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Stempel Bennett Claman & Hochberg, P.C., as Escrow Agent.

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.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently 0.25%. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

Escrow Agreement:

The Escrow Agreement appears in Part II of the Plan, commencing on page 141.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming 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.

The 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, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase 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.

Release of Funds:

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase 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 the terms and conditions set forth in the [Escrow Agreement/Purchase Agreement] upon closing of title to the [Unit/Shares/Membership Interests/Fractional Interest]; 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) above, and the 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 the 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 the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the 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 [unit/building] is located and shall give written notice to both parties of such deposit.

The 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.

Waiver Void:

Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the 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 Purchase Agreement, Plan, or any amendment thereto.

Any conflict between the Plan and the Purchase Agreement shall be resolved in favor of the Plan. If Purchaser shall fail to pay any portion of the purchase price when due, fail to close title on the date, hour and place specified by Sponsor or fail to perform any of Purchaser's other obligations, including, without limitation, the obligation to furnish any lender promptly with such information as such lender may require, and the obligation to accept a commitment on the terms set forth in the Purchase Agreement, such failure shall constitute a default by Purchaser, and Sponsor may send notice to Purchaser of Sponsor's intention to cancel the Agreement if such default is not timely cured. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within thirty (30) days from the mailing date or thirty (30) days from the delivery of such written notice, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement by notice of cancellation sent after the cure period has expired. Upon such cancellation by Sponsor, the Down Payment monies held with respect to the particular Unit, but not more than ten percent (10%) of the purchase price, shall be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. Notwithstanding the above, Sponsor may receive the actual costs incurred for any special work ordered by Purchaser as a part of its liquidated damages even though the total amount of liquidated damages thereby exceeds ten percent (10%) of the purchase price plus interest. All funds received by the Sponsor prior to closing for upgrades or extras must initially be placed in the escrow account. However, Purchaser should note as a special risk that such funds may be released from the escrow account by the Escrow Agent as long as the 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. In the event a default is disputed in writing by Purchaser to Stempel Bennett Claman & Hochberg, P.C., during the time to cure period and the default, in Sponsor's opinion, is not timely cured, and Sponsor thereafter cancels the Purchase Agreement, then Stempel Bennett Claman & Hochberg, P.C. shall have the right to continue to hold the Down Payment Deposit pending resolution of such dispute (judicial or otherwise) or pay the Down Payment Deposit into court. Sponsor shall not seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser.

Any requests for upgrades or extras must be made in writing to Sponsor's attorney. Prices for upgrades or extras, together with a Custom Work Letter shall be furnished in writing by Sponsor to Purchaser if Sponsor desires to pursue such request. Purchaser must provide

Sponsor with specific plans, details and specifications for such custom work before Sponsor can provide a Custom Work Letter and before any such work shall commence. Sponsor, in its sole discretion, can approve or reject such request for custom work. If agreement is reached between Sponsor and Purchaser as to the custom work to be performed, Purchaser must deliver a cashier's or certified check for such work to Sponsor's attorneys simultaneously with submitting a signed Custom Work Letter also signed by Sponsor and prior to any such work commencing. Such Custom Work Letter must be signed by Purchaser and returned to Sponsor or its attorneys within five (5) business days after Purchaser's receipt of such letter or Sponsor, in its sole discretion, can reject the Custom Work Letter or reissue a new letter with an increased price. Sponsor shall not be required to halt normal progression of work to wait for Purchaser. Accordingly, delays by Purchaser in furnishing plans and specifications to accompany Purchaser's formal request or delays by Purchaser in submitting the signed Custom Work Letter and check may cause Sponsor to reject the request or increase the price of such custom work. Additionally, such delays caused by Purchaser will result in a $300.00 per day penalty to Purchaser for the duration of such delay.

At the closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the power of attorney to the Board of Managers in the form contained in Part II of the Plan. Purchaser shall deliver such executed power of attorney to Seller or as directed by Seller at the closing of title for recording and to pay the recording fee. Failure to do so shall constitute a default by Purchaser pursuant to the Purchase Agreement.

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 to purchase a Unit will not be contingent on the Purchaser obtaining financing for such purchase. Therefore, a purchaser will remain obligated under an Agreement to purchase a Unit whether or not he or she is able to obtain financing. The Sponsor makes no representation as to the terms or the availability of mortgage financing. Therefore, prospective Purchasers are advised to secure their financing arrangements prior to executing 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 prior to the date scheduled for closing.

Except as noted below, the risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Purchase Agreement. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit except as stated in the section of the Plan titled "Rights and Obligations of Sponsor." Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit, and Sponsor shall not be obligated to repair any damages to the Unit or its appliances, fixtures and equipment. Accordingly, Purchaser, or one claiming by or through Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, Purchaser will remain obligated to purchase the Unit under the terms of this Purchase Agreement, without any abatement in the purchase price. Purchaser should consult with an attorney and/or insurance agent as to his insurance needs.

The Purchase Agreement and Plan do not contain, and will not be modified to contain, any provision waiving the Purchaser's rights or abrogating the Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law, other than the ability of Purchaser to waive his right to thirty (30) days prior written notice to the closing of title to Purchaser's Unit.

The Escrow Agent shall maintain all records concerning the escrow account for seven years after release of the funds. Upon the dissolution of any law firm which was the Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by the successor firm and shall notify the Department of Law of such transfer. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the regulations of the Department of Law concerning this matter shall prevail over any conflicting or inconsistent provision in the Offering Plan or in a Purchase Agreement.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchase Agreements may not be assigned by Purchasers without the prior written consent of the Sponsor. Such consent may be withheld by the Sponsor in its sole discretion. Any purported assignment by a Purchaser in violation of the Purchase Agreement will be voidable at the option of the Sponsor. The Sponsor's refusal to consent to an assignment will not entitle a Purchaser to cancel the Purchase Agreement nor give rise to any claim for damages against the Sponsor.

EFFECTIVE DATE OF PLAN

All Purchase Agreements signed by the Sponsor shall be contingent upon Sponsor's declaring the Offering Plan effective pursuant to the requirements and terms of the Plan. The terms of the Offering Plan are valid for one year unless extended by amendment. The closing of title to any Unit may not occur until after the Plan has been declared effective and an amendment has been filed substantiating same, and the Condominium Declaration and By-Laws have been duly recorded.

The Plan may be declared effective when Purchase Agreements have been executed by bona fide purchasers, including investors, and accepted by Sponsor for the sale of one (1) Residential Unit, which represents a minimum of at least fifteen (15%) of the Units offered under the Plan, which is four (4) Residential Units.

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

The Plan must be declared effective when Purchase Agreements have been both executed and accepted by Sponsor for the sale of four (4) Residential Units, which represents a minimum of at least eighty (80%) of the Units offered under the Plan.

The Plan may be abandoned, at Sponsor's sole option, at any time before eighty (80%) percent of the Condominium Units have been purchased. However, once the amendment substantiating the effectiveness has been filed, the Plan can only be abandoned under limited circumstances set forth below. If the Offering Plan is to be abandoned after filing and the Sponsor has accepted Purchase Agreements, the Sponsor shall promptly submit an amendment to the Office of the Attorney General together with form RS-3 as promulgated by the Office of the Attorney General. If payments under Purchase Agreements have been received, the funds and any interest must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing. If there are no outstanding Purchase Agreements the Sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the Sponsor on all commercial or professional tenants, if any, by hand, overnight courier or first class mail.

The Sponsor may not abandon the Plan after the amendment substantiating effectiveness is filed for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total amount of the offering, or (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one half of one percent of the total amount of the offering, or (iii) the taking of any material portion of the Property by condemnation or eminent domain. Any stated dollar amount

relied upon as a basis for abandonment after effectiveness must exclude any attorneys fees or any such title defects or determinations of any authority or regulatory association which exist on the date of the presentation of the Offering Plan and are either known to the Sponsor or are a matter of public record.

The Plan will be declared effective by the mailing or personal delivery of written notice to all Purchasers. Within three (3) business days after such notice is given an amendment to the Plan will be submitted by Sponsor stating that the Plan has been declared effective. If requested, Sponsor will submit to the Department of Law copies of all Purchase Agreements, together with any amendments or modifications to such Agreements, within five (5) business days after the request is received.

TERMS OF SALE

The Units, when sold by the Sponsor, will be sold in fee simple absolute to Purchasers, who may be individuals, a duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, any department or agency thereof, or any other entity which is permitted to own property in the State of New York. The sale of the Units will be made at the respective offering prices set forth in either the column of Schedule A titled "Offering Price" as such prices may be changed by the Sponsor as set forth on page 24, and will include the respective undivided interests in the Common Elements. At the closing of title to an individual Unit the Purchaser will pay to the Sponsor the balance of the purchase price for the Unit. Good and marketable to the Unit and its appurtenant interests in the Common Elements will be conveyed as directed by the Sponsor by Bargain and Sale Deed with Covenants against Grantor's Acts and containing the provisions set forth in subdivision 5, Section 13 of the Lien Law, free and clear of all liens and encumbrances other than those set forth below. The form of unit deed is set forth in Part II of the Plan. Sponsor has obtained a construction loan from First Republic Bank. This lender shall, at each Unit Closing release its mortgage lien on the Condominium Unit being conveyed and its interest in the Common Elements.

Permitted Encumbrances:

1. Survey by Fehringer Surveying dated August 29, 2011 shows: two, four and five-story brick building with stairwell bulkhead on North;

   a) terraces atop four and five-story sections;
   b) frame and plexiglass sauna atop five-story section;
   c) southerly building wall up to 2 ½" South of Southerly line;
   d) building up to 1 ¼" West onto Washington Street;
   e) window sills project 1" South of Southerly line;
   f) roof cornice projects 2" South of Southerly line;
   g) projections over Washington Street by:

vents	0' 6"
bollards	0' 10"
water meter	0' 1 ½"
security camera	1' 2"
stone ledge	1' 4"
roof coping	0' 2"
lights	0' 6 ½"
brick base	0'1 ½"
sewer vent	0' 4"
sign	3' 11"
flag pole base	1' 2"
electric box	0' 2 ½"

2. Any additional state of facts an updated survey might show, provided same does not prevent legal use of the Units and also does not render title unmarketable;

3. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the existing structure and use;

4. The Declaration, By-Laws, Maps and Floor Plans of the Condominium to be recorded in the Office of the City Register, as the same may be amended from time to time;

5. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction and/or rehabilitation of the Building, or construction of the individual Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

6. Easements in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utilities and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

7. Revocability of the right to maintain street vaults and other areas, if any, under sidewalks;

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

9. Any easement or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property;

10. Service, maintenance and union contracts and agreements, if any, in effect on the date of the First Unit Closing;

11. Encroachments of stoops, areas, cellar steps, doors, ledges, window sills, bay windows, trim, coping, cornices, vaults, chutes, fuel oil lines, gas lines, drainage pipes, standpipes, sewerage pipes, foundations, footings, retaining walls, fences, fire escapes, air

conditioning units, canopy and similar projections, if any, on, over or under the Property or the streets or sidewalks or property abutting the Property and rights of governmental authorities and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any;

12. All covenants, declarations, restrictions, reservations, agreements and easements of record, if any, which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent residential use of the Residential Units at the Property nor prevent the existence of the present structure. The title report obtained by Sponsor dated December 30, 2011 reveals the following agreements:

    a) Restrictive Declaration recorded in Reel 1603 page 1729;
    b) Zoning Lot Description and Ownership Statement recorded in Reel 1603 page 1724;
    c) Zoning Lot Certification recorded in Reel 1603 page 1735.

13. Any service contracts to be assumed by the Condominium at the First Unit Closing;

14. The lien of any unpaid real estate tax, and the lien of any water charges or sewer rents generally, (which shall be apportioned at closing);

15. Any variations between tax lot lines and lines of record title;

16. Notice of Sidewalk Violation Notice #50723 filed 8/10/1989;

17. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring purchaser's title to its Unit.

The Closing of title shall take place concurrently with or after the following events have occurred:

(a) The issuance of a new temporary or permanent Certificate of Occupancy for the Building or, alternatively, the issuance of a temporary or permanent Certificate of Occupancy for the Unit closed. Sponsor shall complete construction and obtain a permanent Certificate of Occupancy for the entire project within (2) years subsequent to the First Unit Closing or at such sooner time as the temporary Certificate of Occupancy, as same may be renewed, replaced or extended, expires. If, at the time of closing of title to a Residential Unit Sponsor has only obtained a temporary "Class A" residential Certificate of Occupancy covering such Unit, then Sponsor shall place in escrow with its attorney an amount, as determined by an architect chosen by Sponsor, which is sufficient in such architect's opinion to cover the cost for such Unit of obtaining a permanent "Class A" residential Certificate of Occupancy covering that Unit. Such escrow amount shall be released to Sponsor or its designee upon the obtaining of a permanent "Class A" residential Certificate of Occupancy covering such Unit. Alternatively, the

Sponsor shall have the option of either depositing with an escrow agent an unconditional, irrevocable letter of credit in the amount determined by Sponsor's architect or posting a surety bond in the amount so determined.

(b) The recordation in the New York County Office of the Register of the City of New York of the Declaration, the By-Laws and other documents as required by law and the filing in said office of a set of as-built floor plans of the Building showing the layout, location and approximate dimensions of the Units and the Unit designations, certified by the Tax Assessor of the City of New York as conforming to the official tax lot number for each such Unit and including an Architect's statement required by Section 339-p of Article 9-B of the Real Property Law of the State of New York certifying that the plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built;

(c) The discharge of all duly recorded liens affecting the Unit to be closed and its undivided Common Interest from such lien, if any, the subordination of the lien of the construction lender and any other mortgagee to the Condominium Declaration and By-laws and the release of its lien on the Unit being conveyed and its interest in the Common Elements; all as required by Section 339-r of the Real Property Law;

(d) The serving by personal delivery or ordinary mail to the Purchaser written notice of the closing date not less than thirty (30) days prior to closing of title unless Purchaser elects to waive the thirty (30) day requirement; and the affording to Purchaser of an opportunity to inspect the Unit and the Common Elements;

(e) The amending of the Offering Plan by Sponsor with an amendment substantiating that the Plan has been declared effective and confirming that the Units to be closed have been constructed in accordance with the applicable plans and specifications and that the Sponsor has satisfied, or will satisfy prior to closing of title, all of the requirements of this section titled "Terms of Sale."

(f) a bargain and sale deed with covenant against grantor's acts has been delivered to the Purchaser (which deed will be substantially in the form set forth in Part II of the Plan), in proper form for recording, conveying title to the Unit free and clear of all liens, encumbrances and other title exceptions other than Permitted Encumbrances and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law upon delivery to the Sponsor of the balance of the purchase price, the closing apportionments and such other checks and documents required pursuant to the Plan and the Purchase Agreement; and

(g) the Unit Owner's Power of Attorney coupled with an interest, in substantially the form set forth in Part II of the Plan, a New York City Real Property Transfer Tax Return, Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, each in the form required to be filed by law has been delivered by the Purchaser;

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

If the Sponsor fails or refuses to correct any title defect, then, provided the Purchaser is not then in default, the Purchaser's sole right will be to either (i) take title subject to the title defect (without abatement in or credit against the purchase price or claim or right of action against the Sponsor for damages or otherwise) or (ii) cancel the Purchase Agreement. If the Purchaser elects to cancel the Purchase Agreement, the Sponsor will cause the Down Payment, together with any interest earned thereon, to be returned to the Purchaser within thirty (30) days after receipt of the Purchaser's termination notice. Upon making such refund, the Sponsor and the Purchaser will be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan. The foregoing election must be exercised by the Purchaser in writing sent to the Sponsor within fifteen (15) days after the giving of the Sponsor's notice of refusal to remedy the title defect. IF THE PURCHASER FAILS TO NOTIFY THE SPONSOR OF HIS ELECTION WITHIN FIFTEEN (15) DAYS AFTER THE SPONSOR HAS NOTIFIED THE PURCHASER OF THE SPONSOR'S REFUSAL TO REMEDY THE TITLE DEFECT, THE PURCHASER WILL BE CONCLUSIVELY DEEMED TO HAVE ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

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

The acceptance of a deed to a Unit by a Purchaser will be deemed an acknowledgment that the Sponsor has performed and discharged every agreement and obligation on the part of the Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan and in General Business Law Section 352-e to survive delivery of the deed. Purchasers of Residential Units will inspect such Units prior to the Closing Date and will execute at such time an inspection statement acknowledging their acceptance of such Units in good condition and in accordance with the terms of the Plan, provided that if the Purchaser finds that the Units have not been completed as described in this Plan, then the Sponsor and the Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature which is to be completed by the Sponsor in the Unit following the Closing Date. The Sponsor will have no obligation to complete any work which is not specifically designated by the Purchaser on the inspection statement. A Purchaser will

receive at least five (5) business days notice that a Residential Unit is available for inspection pursuant to this provision. In the event that a Purchaser fails to inspect the Residential Unit within such five (5) day period, that Purchaser will be deemed to have accepted the Residential Unit in good condition in accordance with the terms of the Plan.

At the closing of title to a Unit, Sponsor will execute and deliver to each Unit Owner an instrument assigning to the respective Unit Owner any manufacturer's warranties with respect to equipment and appliances, if any, installed within such Unit. At the First Unit Closing, Sponsor will execute and deliver to the Board of Managers an instrument assigning to the Board of Managers any manufacturer's warranties with respect to equipment and appliances installed in the Common Elements. A copy of any manufacturer's warranties, to the extent available, will be delivered to the Board of Managers and/or Unit Owner, as the case may be, at the First Unit closing or promptly thereafter.

The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Purchase Agreement. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit except as stated in the section of the Plan titled "Rights and Obligations of Sponsor." Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit, and Sponsor shall not be obligated to repair any damages to the Unit or its appliances, fixtures and equipment. Accordingly, Purchaser, or one claiming by or through Purchaser, who takes possession of the Unit prior to the closing of title, should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, Purchaser will remain obligated to purchase the Unit under the terms of this Purchase Agreement, without any abatement in the purchase price. Purchaser should consult with an attorney and/or insurance agent as to his insurance needs.

After the First Unit Closing the Board of Managers is obligated to repair a Unit damaged by casualty pursuant to Article VI, Section 3 of the By-laws.

Sponsor shall give written notification to Purchaser whether or not the Sponsor will restore a damaged Unit within thirty (30) days from the date of occurrence of the casualty. If Sponsor elects to repair the Unit, the time in which such repair will occur will depend on the extent of the damage. In no event shall such repair exceed six (6) months from the date of occurrence of the casualty.

All personal property located within the Unit on the date the Purchase Agreement is signed that is owned by the Sponsor is included in the conveyance to the Unit Purchaser, unless specifically indicated otherwise in the Purchase Agreement.

UNIT CLOSING COSTS AND ADJUSTMENTS

I. **General:**

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of a Unit will be as set forth below. Such costs are only estimates and are subject to change.

A. If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor which will vary depending upon the Purchase Price of the Unit. Fee title insurance charges, if ordered, in accordance with the schedule of rates set by the New York Board of Title Underwriters and filed with the New York State Insurance Department are currently a base rate of $402.00 for the first $35,000.00 coverage; $6.67 per additional thousand dollars of purchase price up to $50,000.00, plus $5.43 per thousand dollars of purchase price in excess of $50,000.00 up to $100,000.00, plus $4.36 per thousand dollars of purchase price in excess of $100,000.00 up to $500,000.00; plus $3.98 per thousand dollars of purchase price in excess of $500,000.00 up to $1,000,000.00; plus $3.66 per thousand dollars of purchase price in excess of $1,000,000.00 up to $5,000,000. Sponsor has used Accord Abstract Ltd. (516-433-0440), as agent for Fidelity National Title Insurance Company for title work relating to this Property.

B. Recording fee for recording the deed and power of attorney of approximately $200.00;

C. If a purchase money mortgage is obtained from a lending institution, the Purchaser may expect to incur the following costs:

1. Legal fees of the lending institution's attorney;

2. Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured. Mortgage title insurance rates as quoted by Accord Abstract, as of the date of this Plan will cost a base rate of $344.00 for the first $35,000.00 in coverage; $5.55 per additional thousand dollars of coverage up to $50,000.00, plus $4.54 per thousand dollars of coverage in excess of $50,000.00 up to $100,000.00, plus $3.64 per thousand dollars of coverage in excess of $100,000.00 up to $500,000.00, plus $3.31 per thousand dollars of coverage in excess of $500,000.00 up to $1,000,000.00; plus $3.05 per thousand dollars of coverage in excess of $1,000,000.00 to $5,000,000.00. Please note that if a mortgage title policy is purchased simultaneously with a fee insurance policy and through the same company, mortgage insurance coverage rates shall be discounted;

3. A mortgage recording tax for Residential Units of one and three quarters percent (1 3/4%) of the first ten thousand dollars of the amount of the

mortgage executed by the Purchaser and a mortgage recording tax of two and five hundredths percent (2.05%) of the amount of the balance of the mortgage actually executed by Purchaser for mortgages for Residential Units in the amount of less than $500,000.00. The mortgage recording tax for mortgages for additional units in the amount of $500,000.00 or more is 2.175% after the $30.00 deduction on the first ten thousand dollars of mortgage amount. Lenders in most cases are required to pay one quarter of one percent of the two and five hundredth percent tax, or 2.175% tax, as the case may be, thereby reducing Purchaser's cost to one and eight tenths percent (1.8%) less $30.00 or 1.925 percent less $30.00, as the case may be. The aforementioned rates include the increased mortgage recording tax rates effective June 1, 2005.

4. Recording fee for recording of the mortgage, approximately $200.00;

5. Commitment fee or origination fee, appraisal fee, application fee, credit fee, if any, charged by the lending institution;

D. New York City Real Property Transfer Tax, currently equal to one percent (1%) of the purchase price with respect to the Residential Units which are sold for $500,000.00 or less, and which has been increased to 1.425% where the consideration is greater than $500,000.00. If a Purchaser purchases two (2) or more Residential Units and the total cost of same is over $500,000.00, then the tax rate is also 2.625%. It is customary in real estate transactions involving sales of multi-family buildings or single family homes for the seller to pay these transfer taxes and the transfer taxes in (E) immediately below.

In condominium transactions, either the Seller or the Purchaser can pay these transfer taxes. The obligation is imposed on the Purchaser by the terms of the sale. Under the Offering Plan and the Purchase Agreement, Purchasers are required to pay these taxes as a closing cost. For purposes of paying this tax with respect to this project, consideration also includes the amount of New York City Real Property Transfer Tax and New York State Transfer Taxes (deed stamps) to be paid for the unit.

E. New York State Transfer Taxes (deed stamps), which are currently at the rate of $2.00 per each $500.00 of consideration or part hereof. For purposes of paying this tax with respect to this project, consideration also includes the amount of New York City Real Property Transfer Tax and deed stamps to be paid for the Unit. Pursuant to the terms of this Plan, this tax is an obligation of the Purchaser;

F. The legal fees of Sponsor's attorneys in the amount of $1,500.00 will be payable by Purchaser to Stempel Bennett Claman & Hochberg, P.C., provided that an additional fee of $300.00 per closing shall be due and payable for any Unit Closing which occurs outside the offices of Seller's attorneys. Sponsor's attorneys shall not be obligated to close title outside of its offices. Further fees of

$200.00 shall be payable by Purchaser to Sponsor's attorneys for the work involved for each assignment and/or cancellation of a Purchase Agreement or contract for other than failure to obtain an appropriate mortgage commitment. Assignments are permitted only pursuant to the terms of the Offering Plan.

G. Under the State Tax Law, Section 1402-a, a tax of one percent (1%) of consideration (or part thereof attributable to the real property being conveyed) is payable by the grantee (Purchaser) on each conveyance of residential real property, including Condominium Units, where the consideration for the entire conveyance is $1,000,000.00 or more. Residential real property includes a 1-3 family house, an individual condominium unit and a cooperative unit that is or may be used, in whole or in part, as a personal residence. This tax applies to conveyances occurring on or after July 1, 1989 other than conveyances pursuant to binding written conveyances entered into on or before February 16, 1989.

H. At the time of the first closing of title to each Unit, the Purchaser of such Unit shall pay into the Working Capital Fund of the Condominium the sum equal to three (3) months of Common Charges for the Unit being purchased at the time of the closing.

In addition to the above costs, each Purchaser of a Unit will be responsible for the fees and expenses of his own attorney, if any. As a result of the variable factors with respect to each Unit, such as purchase price, terms of a possible mortgage commitment, fees of Purchaser's attorney and fees of the attorney representing Purchaser's lending institution, Sponsor suggests that Purchasers review their closing costs with an attorney.

II. Closing Adjustments

At the closing of title to a Unit the following items shall be adjusted between the Purchaser and Sponsor or Sponsor-designee:

A. Real estate taxes from the midnight preceding the date of the closing through the end of the tax payment period within which the closing date occurs, which shall be either a quarter of a year or one half of a year, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay but for an unauthorized delay in closing of title by Purchaser, beyond Purchaser's fifteen (15) day right of adjournment. If the closing occurs after such date, real estate taxes shall be adjusted as of midnight prior to the originally scheduled Closing Date;

If no separate tax bills for each tax lot exist at the time of the closing, Sponsor shall have the right to collect and have the Board of Managers hold in escrow Purchaser's portion of the real estate taxes allocated to the Unit being purchased

through June 30th of the calendar year in which it is anticipated that separate real estate tax bills will be issued.

B. Common Charges, including assessments, for the month in which title closes from the midnight preceding the date of closing through the end of the month in which title closes, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor was obligated to pay to the Board of Managers as a result of any unauthorized delay in closing of title by Purchaser beyond the Purchaser's fifteen (15) day right of adjournment. If the closing occurs after such date, Common Charges shall be adjusted from the originally scheduled Closing Date. The Purchaser will be required to pay to the Board of Managers Common Charges, including assessments, allocable to his Unit monthly in advance. The amount of such Common Charges to be assessed against each Unit will be fixed by the Board of Managers. Common Charges to be initially assessed are expected to conform to those shown in Schedule A contained herein;

C. Accrued rent and any other charges pursuant to an interim lease, or use and occupancy agreement, if any, covering Purchaser's Unit from the midnight preceding the Closing Date;

D. Any water charges and sewer rents, if separately assessed for a Unit, from the midnight preceding the Closing Date.

In addition to the penalties described above to be paid by Purchaser for an unauthorized delay in closing by Purchaser beyond Purchaser's fifteen (15) day right of adjournment, Purchaser shall also pay to Sponsor a per diem amount of $300.00 commencing with and including the originally scheduled Closing Date fixed by Sponsor to the actual closing date, provided Sponsor has met its obligations under the Offering Plan to close title with respect to the Unit. Otherwise, such $300.00 per day penalty shall commence after such fifteen (15) day adjournment period once Sponsor has complied with its obligations under the Offering Plan to close title with respect to the Unit.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, and such First Unit Closing occurs during a tax payment period, Sponsor will have previously paid the real estate taxes through the end of such tax payment period. For example, if the First Unit Closing occurs on July 9, 2013, Sponsor will have paid the real estate taxes for the Property through December 31, 2013. Sponsor shall place in escrow with the Condominium Board of Managers at the First Unit Closing money sufficient to pay the real estate taxes for six months subsequent to the date of the First Unit Closing. If the real estate taxes have already been paid for part of this six month period, then this six month period shall be reduced by the amount of time subsequent to the First Unit Closing for which the taxes have been paid. For example, if the First Unit Closing occurs on July 9, 2013 and real estate taxes have been paid through December 31, 2013, then Sponsor shall only have to place into escrow with the Condominium Board of Managers an amount to cover one month of real estate taxes. Sponsor shall have the right to reduce this escrow on a Unit by Unit basis by requiring each Purchaser to fund into escrow, at such Purchaser's Unit Closing, the amount necessary, on the

basis of percentage of common interest to cover the period for which real estate taxes have not been paid for such Unit through June 30th of the calendar year in which it is anticipated that separate real estate tax bills will be issued. This period could be as long as one year from the last date for which real estate taxes have been paid. This funding shall occur by Purchaser paying such funds into the escrow held by the Board of Managers. The Board of Managers shall pay the real estate taxes from this escrow account when they are next due and Sponsor shall be entitled to reimbursement from any Unit Owner who either did not pay any money into escrow or paid less than was required to cover the real estate taxes attributable to such Unit for the time Purchaser owned the Unit.

Subsequent to this possible one year period, until a separate assessment for each Unit has occurred and separate tax bills are issued, each Unit Owner or its mortgagee shall, on December 1st and June 1st of each year, pay to the Board of Managers, for the purpose of paying such Unit Owner's share of the real estate taxes for the ensuing six months, determined on the percentage of common interest allocated to such Unit. As previously stated, at Unit Closings individual Purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit closing through the end of the tax payment period within which the closing date occurs. However, as previously set forth, Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay but for an unauthorized delay in closing of title by Purchaser. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the aforementioned percentage of common interest attributed to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of this percentage and adjustment on the basis of actual apportionment, it shall be made at that time.

III. **Mortgage Tax Credit**

Section 339-ee(2) of the New York Real Property Law provides as follows:

> "In the event the proceeds of a construction mortgage were applied to construction of a unit of a condominium submitted to the provisions of this article, or in the event that a unit submitted to the provisions of this act was subject to a blanket mortgage whose proceeds were applied exclusively to payment of the construction mortgage or to capital expenditures or expenses for the development or operation of the condominium, or to purchase of land or buildings for the condominium provided that such purchase was no more than two years prior to the recording of the declaration of condominium, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each unit is first conveyed, there shall be allowed a credit against the mortgage taxes (except the special additional mortgage recording tax imposed by subdivision one-a of section two hundred fifty-three of the tax law) that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the purchaser's pro-rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage. No credit shall be allowed under this subdivision (a) on account of the special additional mortgage recording tax imposed by subdivision one-a of section two hundred fifty-three of the tax law or (b) where the first

condominium unit is sold more than two years after the construction or blanket mortgage was recorded."

The entire contents of this Paragraph III as well as those in Paragraph I and II above, as same may be revised or amended, shall be deemed to be incorporated into the Purchase Agreement for each Unit.

A numerical example for the costs set forth in this section of the Offering Plan for an apartment with a purchase price of $6,600,000.00 and a mortgage of $4,740,000.00 are set forth below. Tax, insurance and recording rates are subject to change.

1. Title insurance for fee $24,348.00 and title insurance for mortgage $4,552.00;

2. recording costs for deed and power of attorneys $300.00;

3. mortgage recording tax (including any payment to Sponsor pertaining to mortgage tax credit) $91,215.00, but not including one quarter of 1% paid by Lender.

4. recording cost of mortgage approximately $300.00;

5. New York City Real Property Transfer Tax (including the $100.00 filing fee) $95,866.41;

6. New York State Transfer Taxes (deed stamps) (with Purchaser paying the transfer tax) 26,881.80;

7. New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" $67,204.50;

8. real estate tax escrow - For a closing occurring July 9, 2013 the first half of 2013/2014 real estate taxes will have been paid. Therefore, for the second half of 2013/2014 real estate taxes due January 1, 2014, probably three months of real estate tax escrow would be picked up at the Unit Closing. For Unit 1, for example, this amount would be estimated at $3,332.16 per month, based upon the estimated assessed valuation of the Property. It is also noted that a July 9, 2013 closing where the first half of 2013/2014 real estate taxes are paid would mean that the Purchaser would have to reimburse Seller for five months and twenty-three (23) days of real estate taxes. For Unit 1, based upon the estimates in Schedule A, this amount would equal a minimum of $3,332.16 for one month.

9. Payment of Seller's unit closing legal fee in the amount of $1,500.00.

10. Payment at closing of a Working Capital Contribution equal to three (3) months of common charges for the unit being closed.

Other fees which cannot be estimated because they pertain to events outside of Sponsor's control and/or statutory requirement include purchaser's attorney's fee, lender's attorney's fee,

possible commitment fee or loan origination fee, appraisal fee, application fee, credit check fee and monthly common charges prospectively from the closing date.

CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD

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

(a) Any Common Charges which are Sponsor's obligation for the period from the First Unit Closing to the end of the month in which same occurs;

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

(c) fees for assignable permits and licenses which are the responsibility of the Condominium, if any;

(d) cost of fuel plus sales tax, if any;

(e) charges for electricity and natural gas, (if any) pertaining to the Common Elements;

(f) payments under service and maintenance contracts;

(g) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed or on the basis of meter readings, if applicable, which Sponsor shall obtain;

(h) cost of supplies on hand at Sponsor's cost (plus sales tax);

(i) premiums for any transferable insurance policies; and

(j) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Unit Closing because they are not fully ascertainable, they will be apportioned and adjusted to the extent reasonably possible at the First Unit Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, will apply to apportionments and other matters herein mentioned.

The Condominium Board of Managers shall reimburse the Sponsor in full for any electric, utility or other service deposits paid by Sponsor. These items are not items of closing adjustment.

Sponsor has not funded any utility deposit for the common areas with Con Edison.

At the time of the first closing of title to each Unit to a bona fide Purchaser, such Purchaser shall pay the sum equal to three (3) months of Common Charges for the Unit being purchased at the time of the closing to the Board of Managers for its working capital (the "Working Capital Fund"). This fund would ordinarily be used for the payment of any net closing adjustments in favor of the

Sponsor. However, Sponsor shall waive any such net closing adjustments with the Condominium Board in its favor which would reduce the Working Capital Fund below zero. If the net closing adjustments are in favor of the Condominium Board, the amount thereof will be paid or credited to the Working Capital Fund at the First Unit Closing by Sponsor. The amounts in the Working Capital Fund may be held or used at any time for working capital to make repairs or for such other appropriate purposes permitted under the Declaration and By-Laws as will be determined by the Board of Managers in its sole discretion.

RIGHTS AND OBLIGATIONS OF SPONSOR

No bond or other security has been furnished to secure the performance of the Sponsor's obligations. Although at the time the Offering Plan is accepted for filing the Sponsor will be financially capable of performing Sponsor's obligations, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. Sponsor intends to sell all of the Units. Sponsor represents that it will endeavor in good faith to sell all the Residential Units rather than rent. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee Successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units. The construction work is being financed with a construction loan mortgage from First Republic Bank, having an office at 111 Pine Street, San Francisco, California 94111. There is no minimum number of contracts required by the construction lender to declare the Offering Plan effective. The construction loan mortgage lender shall, at each Unit Closing release its mortgage lien on the Condominium Unit being conveyed and its appurtenant interest in the Common Elements. The release price for each Unit is the greater of (i) 100% of net sales proceeds, considering sales costs of no more than 10% of the gross sales price of (ii) a minimum release price for Unit #1 of $2,160,000; for Unit #2 of $2,340,000 and for Unit #3, $2,844,000, together with all interest accrued to the date of such release and reconveyance.

There are no specific requirements in the construction loan with respect to renting rather than selling Units.

Sponsor makes the representations set forth below with respect to certain obligations under the Plan.

1. The Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction of the Units and construction and/or renovation of Common Elements for the authorized and proper work performed and fixtures, material and equipment supplied or installed in said construction.

2. The Sponsor will diligently, expeditiously and at Sponsor's own cost, complete the construction of the Units and construction of the Common Elements substantially in accordance with the plans and specifications described herein. If any work still remains to be done to complete such work, Sponsor, at Sponsor's own cost and expense, will perform or cause to be performed all such work and will supply or cause all material therefor to be supplied and will pay for such work and materials and discharge or bond all mechanics' liens which may be filed as a result of the construction of the Units or Common Elements.

   The Sponsor reserves the right to substitute for any of the materials specified in the Alteration Plans, the Description of Property and Specifications or Building Condition or elsewhere in the Plan, materials of substantially equal or better quality and design. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan, and in the architectural plans on file, but, due to the possible unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures, and

equipment of substantially equal or better quality and design for any of those set forth in the specifications or otherwise in this Plan.

The Sponsor also reserves the right, without altering the total amount of space contained in the Building, to change the size, interior layout and location of any Unit or the number of Units, provided such changes are made in accordance with the Section titled "Changes in Prices and Units" at page 39 herein.

No change will be made by Sponsor in the size or number of Units, their respective percentages of Common Interest, and no material change in the size or quality of Common Elements will be made by Sponsor, except by amendment to the Offering Plan and when applicable, to the Declaration. Unless the affected Purchaser provides a written consent, no material change will be made by Sponsor in Unit size, layout or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and if such Purchaser is not in default. To be affected the change in the size of a Unit must be to such Unit Owner's Unit or the change must be to his or her percentage of Common Interest or a material change in the amount or quality of Common Elements which he or she is entitled to use. However, Sponsor shall not be obligated to obtain consent of any Unit Owner for changes made prior to the execution of a Purchase Agreement for the affected Unit or Units, provided such changes are made by amendment to the Offering Plan and, if applicable, to the Declaration.

Unless all Purchasers who are not in default consent, no material change will be made in the size, and no adverse material change will be made in the quality of Common Elements.

3. The Sponsor, at Sponsor's sole cost and expense, will obtain, prior to the closing of a particular Unit, the issuance of a temporary or permanent Certificate of Occupancy for Class A residential use for the Residential Unit closed. Sponsor shall complete construction and obtain a permanent Certificate of Occupancy for the entire project within two (2) years subsequent to the First Unit closing or at such sooner time as the temporary Certificate of Occupancy, as same may be renewed, replaced or extended, expires.

If, by the date of the First Unit Closing under the Plan, only a temporary Certificate of Occupancy for the Building or a Unit for which title has closed or is to close shall have been issued, then the Sponsor will use all reasonable diligence to cause the New York City Building Department to renew continuously the temporary Certificate of Occupancy until the permanent Certificate of Occupancy covering all Units offered under this Plan shall have been issued. Sponsor will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew the temporary Certificate of Occupancy and to obtain such permanent Certificate of Occupancy. However, if any Unit Owner is performing or causing to be performed any work in his Unit, the Sponsor shall have no obligation to obtain or renew a partial, temporary, or permanent Certificate of Occupancy with respect to such Unit if the issuance of such Certificate of Occupancy is delayed or prevented by such work. Prospective purchasers are advised that a permanent Certificate of Occupancy is required for permanent use of the Building. A

temporary Certificate of Occupancy may only be renewed, pursuant to current laws and practices, for a total of up to two years from the date of its original issuance. If the temporary Certificate of Occupancy shall have expired prior to issuance of a permanent Certificate of Occupancy, occupancy of the Units will be a violation of law, subjecting the occupants to legal penalties, including possible eviction of occupants. The Sponsor anticipates obtaining a permanent Certificate of Occupancy for the Property by no later than two years from the Closing Date and shall use reasonable efforts to obtain same.

If, at the time of closing of title to a Residential Unit Sponsor has only obtained a temporary "Class A" residential Certificate of Occupancy covering such Unit, then Sponsor shall place in escrow with its attorney an amount, as determined by an architect chosen by Sponsor, which is sufficient in such architect's opinion to cover the cost for such Unit of obtaining a permanent "Class A" residential Certificate of Occupancy covering that Unit. Such escrow amount shall be released to Sponsor or its designee upon the obtaining of a permanent "Class A" residential Certificate of Occupancy covering such Unit. Alternatively, the Sponsor shall have the option of either depositing with an escrow agent an unconditional, irrevocable letter of credit in the amount determined by Sponsor's architect or posting a surety bond in the amount so determined.

4. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with its operation and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred, or in connection with the sale of all of the Units held or owned by the Sponsor, except as noted in the section of the Plan titled "Closing Costs and Adjustments," and will pay or have paid, except as otherwise provided in the Plan, all selling expenses of Sponsor, including, but not limited to, advertising and printing costs, architect's fees, attorneys' fees for other than individual Units, organization costs, brokerage commissions, engineer's fees, appraisal and any surveying fees and costs.

5. The Sponsor will pay all Common Charges, real estate taxes, special Assessments and other expenses allocable to any Units owned by the Sponsor, so long as Sponsor shall continue to own the same. As set forth on page 127 of the Plan, however, Sponsor, where Purchaser has caused an unauthorized delay in closing of title, shall be entitled to certain reimbursement of real estate taxes and Common Charges, in addition to monetary penalties. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. Sponsor's financial obligations to the Condominium will be funded from sales proceeds and/or its own funds.

6. Prior to the First Unit Closing, any liens affecting the property shall be paid and satisfied or bonded or escrowed for with the title insurance company or the Units being conveyed and their appurtenant Common Interest shall be released therefrom by partial release duly recorded.

7. The Sponsor will promptly correct any patent defects in the construction of the Building and Units therein, or in the installation or operation of any newly installed mechanical equipment

therein, due to substantially improper workmanship or materials substantially at variance with the architectural plans and specifications, provided Sponsor is notified of such defects in writing by the Unit Owner as to the Unit affected within sixty days from the date of closing of title to such Unit or, with respect to Common Elements, that Sponsor is notified by the Board of Managers within one year from the First Unit Closing. If any defect in the Common Elements can only be detected after said period by occupancy of a particular Unit, Sponsor will correct said defect in the construction of the Common Elements or in the installation or operation of any newly installed mechanical equipment therein due to improper workmanship or materials substantially at variance with the architectural plans and specifications, if notified by the Board of Managers within sixty (60) days from closing of title to or first leasing of that particular Unit. Sponsor will also correct any latent defects in the renovation/construction of the Building and the Units therein or in the installation or operation of any newly installed mechanical equipment therein due to substantially improper workmanship or material substantially at variance with the architectural plans and specifications, provided it is notified of such defects in writing by the Unit Owner as to such Unit within the earlier of one year from (i) the closing of title to such Unit or (ii) the first leasing of such Unit, or is notified by the Board of Managers with respect to Common Elements within one year after the First Unit Closing. Sponsor, in its sole discretion, shall select the method of correcting any defect. On three (3) days' notice from Sponsor, the Board of Managers and/or the Unit Owner in question shall allow Sponsor, Sponsor's contractors and/or the Managing Agent access to the Building or the Units in question on any weekday which is not celebrated as a federal or state holiday to inspect and/or correct such defect. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications.

Sponsor shall be deemed to have discharged any obligation it may have with respect to patent or latent defects, as the case may be, if (i) Sponsor is not notified within the time periods specified herein or (ii) the Board of Managers and/or the Unit Owner in question prevents Sponsor, Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question as provided herein, or (iii) Sponsor shall have corrected the defect in accordance with the practice of the industry as determined by Sponsor's general contractor or architect or engineer, in their sole discretion.

Sponsor makes no warranties as to kitchen appliances, except that it will assign to the Purchaser any manufacturer's warranties thereon and any manufacturer's warranties existing for other items in Purchaser's Unit to the extent same are assignable.

Notwithstanding the foregoing, Sponsor will not be responsible for correcting or repairing any latent defects of construction or defects in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others, are assigned to the Board of Managers or Unit Owners. **In addition, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Building; (ii) for defects of an insubstantial nature, such as, without limitation, partial or total death of any trees, shrubs, bushes or other**

landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in Formica or porcelain surfaces, bath and kitchen title grouting, adjustment of any bi-fold or sliding doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor, (iii) 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, (iv) variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom finishes, (vii) air infiltration from windows, (ix) normal plumbing system, heating system and air conditioning system noises, (x) normal floor noises and creaking, (xi) carpet or floor discoloring or stretching, (xii) variations in width, length or tone of wood floor strips, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, (xiii) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Unit Closing, paint touch-ups, repairs of dented appliances, or replacement of fluorescent light ballasts, (xv) cracks or variations in tone, finish or color of any marble use in bathrooms or cracks, or variations in tone, finish or color of vanity tops or other marble used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble, aggregate surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) ponding and/or controlled drainage on the roof surface, or (xviii) 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 Formica and porcelain surfaces, which repair shall be made by filling the Formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such Formica or surfaces.

Residential Unit Owners should be careful to maintain appropriate air conditioning to prevent excess humidity levels. Excess humidity may cause the wood floors to buckle. Neither Sponsor, its principals, members, agents, designers, employees, affiliates or the Selling Agents are responsible for buckled floors due to changes in the moisture content of the wood.

Sponsor reserves the right to substitute any punchlist item for a credit or cash payment based on a bid from Sponsor's own vendor to repair said punchlist item. Sponsor shall have no responsibility for any condition in any Unit that has been resold by a Purchaser from the Sponsor.

Except as expressly set forth herein, Sponsor has no obligation to correct or repair any other defect or conditions in the Units, Common Elements or the Building and all other installations, apparatus, fixtures and appurtenances. The foregoing sets forth the entire obligation of Sponsor to correct any defects and none other shall be implied. Sponsor shall have no obligation to repair or replace any defect resulting from the failure by the appropriate

Unit Owner or the Board of Managers to properly service or maintain a particular item or items. Additionally, Sponsor shall have no obligation to repair or replace any defect resulting directly or indirectly from work done by any individual or entity retained by the Board of Managers or any Unit Owner(s).

Notwithstanding any provision to the contrary herein, Sponsor shall not be obligated to correct, and shall 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 Offering Plan or (ii) variations from the plans and specifications or description of the Building or a Unit set forth in the Offering Plan which are neither in violation of applicable building codes, nor require approval of any governmental authority having jurisdiction, provided such variations are of substantially equal or better quality. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is applicable to this offering because such law is applicable to buildings of five stories or less.

As set forth in the section of the Plan titled "Effective Date," in the event casualty which cannot be repaired for an aggregate cost, together with possible expenses for other items stated in such section of the Plan, of less than an amount equaling one half of one percent of the Total Purchase Price set forth on the front cover of the Plan as estimated by an insurance adjuster retained by Sponsor), occurs prior to the First Unit Closing and the Sponsor elects not to make repairs, then the Sponsor may, at its option, abandon or withdraw this Offering Plan. In such case all Purchase Agreements will be deemed automatically canceled and Purchasers in good standing will be refunded their deposits with any interest earned thereon. Upon such refund being made, the Condominium and the Sponsor will be relieved and discharged of all liability under the Plan and Purchase Agreements.

In the event the Sponsor elects to repair and restore the damage to the Building from a casualty occurring before the First Unit Closing, or if the casualty occurs after the First Unit Closing, but before the closing of the damaged Unit, and Sponsor elects to repair and restore the Unit, then the following shall be applicable:

The term "Affected Unit" means a Unit that has been directly damaged in the casualty (other than minor damage not rendering the Unit uninhabitable) or is without such essential services as gas, electricity and heat, or no longer has a reasonably adequate means of ingress and egress to the street.

The Purchase Agreements for all Units, other than "Affected Units" (as previously defined), shall remain in full force and effect and the Purchasers thereunder shall pay the full purchase price at the closing. Such Purchasers shall not be entitled to adjourn the closing nor be allowed any abatement in the purchase price, nor credit against same, nor retain (in escrow or otherwise) any portion of such purchase price pending restoration and repair of the damage to the Building and the Affected Units.

Except as provided in the next paragraph, a Purchaser of an Affected Unit shall not be required to pay the balance due under the Purchase Agreement unless and until (i) the

damage to its Affected Unit has been substantially repaired as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity or heat) and a reasonable means of ingress and egress to the street have been restored. Any delay in repairing damage to an Affected Unit shall not be unreasonable.

Notwithstanding the foregoing, if the Purchaser is given possession of the Affected Unit under an Interim Use and Occupancy Agreement or otherwise prior to the casualty, such Purchaser shall assume the risk of loss to the Unit and the obligation to repair the damage, unless the cause of such loss originated outside his or her Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. Purchaser, subject to Sponsor's insurance coverage for fixtures and improvements, shall be responsible for any damage to, or loss or other condition in, the Unit, although Sponsor shall be obligated to repair any damage to the Unit or its appliances, fixtures, and equipment as required by its insurance carrier. Purchaser, or one claiming by or through Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for personal injury, contents and fixtures and improvements to the extent possible for the Unit prior to taking possession, since, despite any loss, Purchaser will remain obligated to purchase the Unit under the terms of the Purchase Agreement, without any abatement in the purchase price and should avoid gaps in coverage.

If Sponsor elects not to repair or replace that which it is not obligated to repair or replace, then Purchaser shall be granted the right to rescind the Purchase Agreement. If Purchaser elects to rescind the Purchase Agreement hereunder, Seller shall return Purchaser's downpayment and any interest within the (10) calendar days from Seller's receipt of the election to rescind.

After the First Unit Closing the Board of Managers is obligated to repair a Unit damaged by casualty pursuant to Article VI, Section 3 of the By-laws.

Sponsor shall give written notification to Purchaser whether or not the Sponsor will restore a damaged Unit within thirty (30) days from the date of occurrence of the casualty. If Sponsor elects to repair the Unit, the time in which such repair will occur will depend on the extent of the damage. In no event shall such repair exceed six (6) months from the date of occurrence of the casualty.

8. Immediately following the First Unit Closing, Sponsor will assign to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume, all assignable service and maintenance contracts and agreements relating to the Property. The Condominium will indemnify Sponsor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the First Unit Closing occurs. However, Sponsor shall indemnify the Condominium and Unit Owners with respect to any claims thereunder arising prior to the First Unit Closing and/or arising out of Sponsor's acts or omissions.

9. Sponsor shall procure fire and casualty insurance coverage on behalf of the Condominium, at the Condominium's expense, to be effective at the First Unit Closing, in the amount set forth in the Note for the budget line item for "Insurance" in Schedule B, which Schedule sets forth the Projected Budget for First Year of Condominium Operation.

10. In the event of the dissolution or liquidation of the Sponsor or the transfer in bulk of two or more of the total number of Units in the Condominium to an investor, the principal comprising the Sponsor will provide financially responsible entities or individuals who will assume the status and the obligations of the Sponsor for those units under the Offering Plan, applicable laws or regulations.

11. Sponsor shall deliver to The Board of Managers a set of architectural plans upon completion of the project.

12. Sponsor shall be obligated to defend any suits or proceedings arising out of its acts or omissions. Sponsor shall indemnify the Condominium and Unit Owners with respect to any claims arising prior to the First Unit Closing and/or arising out of Sponsor's acts or omissions.

    Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims (i) as to any Unit arising out of any occurrence taking place on or after the earlier of the closing of title to such Unit or the leasing thereof to, or at the direction of, any Purchaser, or (ii) as to the Common Elements, arising out of any occurrence taking place on or after the date of the First Unit Closing, except suits, proceedings or claims arising out of acts or omissions of Sponsor or representations made by Sponsor in the Offering Plan. Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims arising out of any occurrence which was prior to the date of the First Unit Closing except suits, proceedings or claims arising out of acts or omissions of Sponsor.

13. Sponsor shall keep copies of the Plan, Exhibits and documents referred to in the Plan on file at Sponsor's offices for six (6) years from the date the Declaration is recorded.

14. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the floor plans filed with the recording of the Declaration are a substantially accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

15. During the time the principals of the Sponsor control the Board, it is within its sole power to enforce the obligations of the Sponsor pursuant to the Plan and pertaining to the Common Elements. Therefore, Sponsor agrees that during such period it will, in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

16. The Sponsor (its successors, assigns or designees) may offer all or any Unsold Units, for lease. Purchasers of any leased Units will be purchasing Units that have been previously occupied. Sponsor will notify purchasers of Units that have been previously occupied prior to the execution of a Purchase Agreement of such occupancy and will set forth the condition in which such Unit will be delivered (including outstanding warranties, if any). There shall be no obligation of Sponsor or any other offeror of such Unit to decorate, refurbish or in any way repair such Unit.

17. Since Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no Sponsor commitment to sell more Units than the fifteen (15%) necessary to declare the Offering Plan effective. Consequently, despite the requirement that Sponsor must give up control of the Board of Managers no later than five years from the first Condominium unit closing, owner-occupants may never gain effective control and management of the Condominium if sales are made to investors.

18. Sponsor represents that it shall comply with RPL Section 339-kk, which pertains to any Units it owns and rents. RPL Section 339-kk provides in summary that if a non-occupying owner fails to pay in full, within sixty (60) days after the expiration of any grace period, any common charges, assessment or late fees due for his or her Unit, then the Board of Managers shall provide written notice to the tenant and the non-occupying owner stating that the tenant is to forthwith commence paying rent directly to the Condominium Association. The Board may elect not to send such notice if a majority of the Board is elected from Unit Owners who are in occupancy of their Units. Payments of rent directly to the Board shall continue until the non-occupying owner once again becomes current with respect to Common Charges, assessments and late fees to the Board of Managers.

Each of the obligations of the Sponsor contained in this section shall be enforceable by any Unit Owner as to its Unit or the Board of Managers on behalf of the Unit Owners as to Common Elements. The representations contained in paragraphs 1 through 18 of this section shall survive delivery of the deed. Sponsor makes no other representation or warranties except as provided above. However, nothing herein shall be construed to limit any rights which Purchasers may otherwise have pursuant to Article 23-A of the General Business law, Part 20 of the Regulations promulgated by the Attorney General and the Offering Plan.

Sponsor's Rights of Access

(i) General

As a condition of sales of Units pursuant to this Plan, Sponsor reserves to itself, its successors, assigns, designees, invitees, contractors, agents, employees and tenants any and all easements and rights of access, in and to Units, Common Elements and Limited Common Elements consistent with the purposes of the Plan and Sponsor's rights and obligations thereunder.

(ii) Examples of Specific Easements and Rights of Access Reserved by Sponsor

Without in any way limiting the generality of rights reserved in Paragraph "a" above, such rights reserved to Sponsor and its designee(s) specifically include the following:

1. The right to maintain any vacant and Unsold Unit(s) as general and sales and leasing office(s) and/or Model Unit(s) and to maintain personnel at the Property, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection by and display of vacant or leased Units, as well as all Common Elements and Limited Common Elements, to prospective purchasers or lessees;

2. Right of access in and to Units, Common Elements and Limited Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing (including, but not limited to garbage collection) and similar work;

3. Right to show vacant or leased Units;

4. Utility and other easements for the benefit of Unit Owners, Common Elements and Limited Common Elements.

Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor shall exercise all rights of access so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners. Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor agrees to repair damage directly attributable to and caused by Sponsor, Sponsor-designees and any partner of any entity affiliated directly or indirectly with Sponsor or its agents as a result of exercising such rights of access.

Sponsor's Right to Perform Alterations

Sponsor (and its successors, assigns and designees) shall have the right to alter any Unit, Common Element or Limited Common Element consistent with the terms of this Plan.

CONTROL BY THE SPONSOR

Title to all Units which have not been sold by the time of the First Unit Closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide purchasers. Such sales do not require a right of first refusal to the Board of Managers. Until the first annual meeting of the Condominium, the Board of Managers shall consist of three persons designated by Sponsor. Accordingly, until such first annual meeting, Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. Sponsor shall, unless it decides to relinquish voting control earlier, relinquish voting control of the Board of Managers, upon the earlier of (i) the transfer of title to Units, the percentage Common Interest of which, in the aggregate, equals at least ninety (90%) or (ii) five (5) years after the First Unit Closing. Sponsor, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers Sponsor will not use such vote to elect a particular Sponsor affiliated individual to the Board of Managers which would, by the election of such individual, give Sponsor voting control of the Board. It is noted that although Sponsor does not have to relinquish voting control of the Board of Managers until the earlier of the aforementioned dates, the Sponsor is required to hold the first election to the Board of Managers within thirty (30) days after the earlier of (i) the closing of title to Units whose aggregate Common Interest exceeds fifty (50%) percent or (ii) two (2) years from the date of the First Unit Closing. There is no requirement that owner-occupants or members of an owner-occupant's household, who are unrelated to Sponsor or its principals, ever be entitled to control the Board of Managers, although Sponsor must relinquish control of the Board of Managers within the earlier of the aforementioned five (5) year or ninety percent (90%) periods. Sponsor shall call for the first annual meeting of the Unit Owners to elect a new Condominium Board, consisting of five Managers, within thirty (30) days after the expiration of the Sponsor control period. Please consult the section of the Plan titled "Board of Managers" for further discussion.

As long as the Sponsor or any Sponsor-designees shall continue to own Condominium Units equaling at least twenty-five (25%) percent of the total Common Interest of the Condominium, but in no event for a period in excess of five (5) years from the First Unit Closing, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit; or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund and/or capital replacement reserve, provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed 5.00% of the budgeted expenses of the Condominium; or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient). Sponsor or Sponsor-designee may not exercise veto power over expenses described in Schedule B of the Offering Plan or over expenses required: (i) to comply with applicable laws or regulations or (ii) to remedy any notice of violation or (iii) to remedy any work order by an insurer. As long as the Sponsor or any Sponsor-designee shall continue to own a Unit the Board of Managers may not, without the

Sponsor's or Sponsor designee's prior written consent (i) amend the Declaration or these By-Laws so as to in any way adversely affect the Sponsor or its designees, or (ii) interfere with: the offer and sale or leasing of Units at the Property; the operations of general or sales or leasing offices at the Property; actions necessary for construction, renovation, repair or correction at the Property, as required by Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding these restrictions, the Sponsor or Sponsor-designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law.

Members of the Board of Managers will serve without compensation. All officers of the Condominium shall also serve without compensation. Sponsor represents that for as long as it or any of its designees are members of the Board of Managers, neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

An officer may be removed, with or without cause, by an affirmative vote of a majority of the members of the Board of Managers.

BOARD OF MANAGERS

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of not less than three and not more than seven persons. The Unit Owners shall hold annual meetings and at each such meeting they shall elect members of the Board of Managers. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to their Unit(s) on all matters put to a vote at all meetings of the Unit Owners except that, when voting for the election of members of the Condominium Board, each Unit Owner: (i) shall be entitled to one vote for each .0001% of Common Interest attributable to its Unit per member to be elected, and (ii) shall not have the right to cumulate its votes in favor of any one or more members to be elected. If Units are owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning said Unit shall agree among themselves and cast the votes for their Unit.

The Board of Managers of the Condominium for the period terminating upon the earlier of (i) the closing of title to Units whose percentage of Common Interest equals, in the aggregate, at least fifty percent (50%) or (ii) two years after the First Unit Closing, shall be selected by the Sponsor. During this period the Board of Managers will consist of Gizman Abbas, Jason Lee, and Young Park. Gizman Abbas is a principal of the Sponsor. Jason Lee and Young Park are the President and CFO respectively of SIx SIgma USA Inc., which is a construction company. All three shall resign as board members upon the termination of the period and will call for the first annual meeting of the Unit Owners to elect a new Condominium Board, consisting of five Managers, within thirty (30) days after the expiration of the aforementioned period. Thereafter, elections to the Condominium Board will be held at the regular annual meeting of Unit Owners. It is noted, however, as set forth in the section of the Plan titled "Control by Sponsor," that Sponsor still has the right to control the Board of Managers until the earlier of (i) the transfer of title to Units, the percentage of Common Interest which in the aggregate equals at least ninety percent (90%) or (ii) five (5) years after the First Unit Closing.

The Condominium By-Laws do not include a provision that after the initial Sponsor voting control period a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals.

The annual meetings shall be held on or about the anniversary of the date of the first annual meeting. A special meeting of the Unit Owners shall be called by the President of the Condominium as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners having been presented to the Secretary.

Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than thirty (30) days before such meeting. Minutes of all meetings of Unit Owners and of all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The Board shall retain an independent certified public accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

Each of the members of the five member Condominium Board will serve until the next regular annual meeting of Unit Owners and until a successor is elected and qualified. Members of the Board of Managers, except for those members elected by the Sponsor, to be eligible for election, must be either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner. Except for a member of the Board of Managers designated by Sponsor or a Sponsor-designee, Managers may be removed from office, with or without cause, by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor or a Sponsor-designee can only be removed for cause by affirmative vote of Unit Owners (including Sponsor and/or any other Holder of the Unsold Units) owning, in the aggregate, a percentage of Common Interest in excess of fifty percent of the Common Interest of the Condominium. In the event of such removal, the Sponsor or Sponsor-designee, as the case may be, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers. Subsequent to the date when the Sponsor relinquishes control of the Board of Managers and so long as the Sponsor or a Sponsor-designee shall continue to own at least two (2) Units, the Sponsor or Sponsor-designee shall have the right to elect at least two of the five members of the Board of Managers or one member less than a majority of the Board of Managers, as the case may be. Also, subsequent to the date when the Sponsor relinquishes control of the Board of Managers and as long as the Sponsor or a Sponsor-designee shall continue to own at least one Unit, but less than two (2) Units, the Sponsor or Sponsor-designee shall have the right to elect at least one of the members of the Board of Managers. The Unit Owners may transact such other business at such meetings as may properly come before them. All members of the Board of Managers shall serve without compensation, and the Sponsor represents that, for as long as it or any of its designees are members of the Board of Managers, neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

The Unit Owners may transact such other business at such meetings as may properly come before them. All members of the Board of Managers shall serve without compensation, and the Sponsor represents that, for as long as it or any of its designees are members of the Board of Managers, neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, including but not limited to: determination of the Common Charges, adoption of rules and regulations covering the details of the Property, opening of bank accounts, purchasing, leasing or otherwise acquiring Units, selling, leasing or mortgaging of Units owned by the Board of Managers and generally managing or supervising the Condominium property as provided in the Declaration and By-Laws. The Common Expenses shall include such amounts as the Board of Managers deems proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, and to make up any deficit in the Common Expenses for any prior year. The Board, in its discretion, may delegate such managerial powers as it sees fit to the officers of the Condominium. The Board of Managers is authorized to employ for the Condominium, a Managing Agent on such terms as the Board of Managers may

deem proper. As set forth in the Plan, in the section titled "Management Agreement, Contracts and Leases," at or immediately prior to the First Unit Closing the Board of Managers shall enter into a management agreement with Bosse Property, LLC, having an office at 457 Washington Street, 2nd floor, New York, New York 10013, for a term of one year, commencing on the date of the First Unit Closing at an annual fee of $12,000.00 being payable in twelve (12) equal monthly installments.

In order to limit the liability of the Unit Owners, the members of the Board of Managers, the Managing Agent, if any, and any officers of the Condominium, any contract or other commitment shall be made by the Board of Managers or the Managing Agent or an officer of the Condominium, as the case may be, only as agent for the Unit Owners. The members of the Board of Managers, the Managing Agent or the officer, as the case may be, shall have no personal liability on any such contract or commitment (except as Unit Owners), and the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. The Board of Managers and the officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, or otherwise, except for willful misconduct, negligence or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers and the officers of the Condominium against any liability or claims except those arising out of the bad faith, negligence or willful misconduct of the members of the Board of Managers or the officers of the Condominium, but the liability of any Unit Owner on account of such indemnification shall be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

Officers

The principal officers of the Condominium shall be: The President, the Vice- President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The President and the Vice President each must be both a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner. Other officers need not be either a Unit Owner, principal or officer of a Unit Owner or the spouse of a Unit Owner or a member of the Board of Managers. The Board of Managers may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in its judgment may be necessary. All officers shall serve without compensation from the Condominium. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Board of Managers and of Unit Owners. The Vice President shall take the place of the President in his or her absence. The Secretary shall be empowered to take and keep minutes of all meetings and to keep the books and records of the Condominium. The Treasurer shall be responsible for the funds of the Condominium and for accurately keeping the financial records and books of the Condominium. The Board of Managers, in its discretion, shall delegate such powers to the officers as it sees fit to execute agreements, contracts, deeds, leases and checks etc. on behalf of the Condominium.

Severance of Ownership Prohibited

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed, its undivided interest in the Common Elements, together with its interest in any Unit or Units acquired by the Board of Managers from Unit Owners electing to sell or lease such Unit or at a foreclosure or other judicial sale involving such Unit or Units, in accordance with the provisions of the By-Laws, all of which are interests appurtenant to its Unit.

Right of First Refusal; Units Acquired or Leased by Board of Managers

In administering the right of first refusal granted to the Board of Managers with respect to any sale or lease of a Residential Unit the Board shall be required to exercise such rights, if at all, within twenty (20) days of its receipt of written notice from a Unit Owner of the Unit Owner's intention to sell or lease the Unit to a bona fide grantee or lessee. Notice of the decision to exercise or waive such right must be given to the Unit Owner within five (5) days after the exercise of such decision and in any event within said twenty (20) day period by certified or registered mail. Failure of the Board to either exercise such right or to give notice of the exercise of such right within the time periods provided above shall constitute a waiver of the right of first refusal.

In the event the Board does exercise its right of first refusal, the acquisition or lease of the Unit may be made from the working capital and Common Charges or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's percentage of Common Interest or may borrow money to finance such acquisition, including obtaining a mortgage for the Unit being purchased. The sole security which may be given for any funds so borrowed is the Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired or leased by the Board of Managers, the title or lease shall be held by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interest and any sale or lease of such Unit shall be made by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interests. Such Unit, while owned or leased by the Board of Managers, may be used for any purpose for which it could be used by an individual Unit Owner. In no event, however, may the Board of Managers at any meeting of Unit Owners vote the votes appurtenant thereto.

Each Unit Owner, at the closing of title to its Unit, shall be required to execute an instrument in the form of that contained in Part II in the section of the Plan titled "Power of Attorney", designating the Board of Managers and their successors, as his or her attorneys in fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners.

Review of Real Estate Tax Assessments

At each Unit Closing the new Unit Owner shall execute a Unit Owner's Power of Attorney, which among other things, gives a power of attorney to the Board of Managers to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to all Units in the Condominium, including retaining counsel and taking other actions which the Board of Managers deem appropriate. Notwithstanding the foregoing, if proceedings are pending for the reduction of real estate taxes on the land and building for the tax year in which the First Unit Closing occurs, the Condominium will continue such proceedings with the attorney previously employed by the Sponsor. Sponsor shall have the sole right to negotiate and settle all claims in connection with said proceedings. The cost of such proceedings, including legal fees, and (in the event taxes are reduced) any refund shall be apportioned between the Sponsor and the respective Unit Owners according to the ownership of the Property during respective portions of the tax year. Any refund covering a period prior to the First Unit Closing and all expenses incurred in connection with the obtaining such refund, shall belong to and be incurred by the Sponsor alone.

Amendments to Condominium Declaration and By-Laws

The By-Laws of the Condominium may be modified or amended by the affirmative vote of Unit Owners owning not less than sixty-six and two-thirds percent of the Units and whose percentage of Common Interest, in the aggregate equals or exceeds sixty-six and two-thirds percent. However, for as long as Sponsor or its designee owns title to one or more Units, the Rules and Regulations of the Condominium, or the By-Laws may not be amended so as to adversely affect the Sponsor or its designee in any way, in Sponsor's sole discretion, unless the Sponsor or its designee, gives its written consent to such an amendment. Additionally, no such amendment may change the percentage of Common Interests allocated to any Unit or Units without the written consent of such Owner.

The Declaration may be amended, modified, added to or deleted from by the vote of at least 66 2/3% in number and in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by 66 2/3% in number and in Common Interest of all Unit Owners, provided, however:

(a) No amendment, modification, addition or deletion which shall adversely affect the lien of any mortgage may be made without the written consent of the mortgagee;

(b) No amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner(s); no amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagee(s) of such Unit, or Units, if any;

(c) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against Sponsor, its designee, or any Unsold Unit until Sponsor, or such designee, as the case may be, shall consent thereto in writing.

The Sponsor reserves to itself and its designee(s) the right to amend the Declaration at any time without the requirement of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded, further amending such Floor Plans with respect to its Units, and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations, and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sale and Lease of Units

Each Unit Owner, other than Sponsor or its designee with respect to any Unsold Units may sell or lease his or her Unit, but only after the owner first gives the Condominium Board written notice of his or her intention to do so, accompanied by the terms of the offer as set forth in Article VIII of the By-Laws. The Condominium Board, on behalf of all Unit Owners, will have the exclusive right to elect, within twenty (20) days after receipt of the notice of sale, to purchase the Unit, or to elect, within twenty (20) days after receipt of the notice of lease, to lease the Unit, on the same terms set forth in the offer, as more specifically set forth in Article VIII of the By-Laws. Notice of the decision to exercise or waive such right must be given to the Unit Owner within five (5) days after the exercise of such decision and in any event within said twenty (20) day period by certified or registered mail. If the Condominium Board does not notify the Unit Owner of its election to purchase or lease the Unit within the aforementioned time periods, the Unit Owner will have thirty (30) days after the expiration of the twenty (20) day period to contract to sell the Unit or lease the Unit in accordance with the terms stated in the offer to the Condominium Board. After the expiration of the thirty (30) day period, the Unit Owner will again be required to first offer the Unit to the Condominium Board as provided above.

In the event the Board does exercise its right of first refusal, the acquisition or lease of the Unit may be made from the working capital and Common Charges or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's percentage of Common Interest or may borrow money to finance an acquisition. The sole security which may be given for any funds so borrowed is the Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired or leased by the Board of Managers the title or lease shall be held by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interest and any sale or lease of such Unit shall be made by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interests. Such Unit, while owned or leased by the Board of Managers, may be used for any purpose for which it could be used by an individual Unit Owner. In no event, however, may the Board of Managers at any meeting of Unit Owners vote the votes appurtenant thereto.

Each Unit Owner, at the closing of title to his or her Unit, shall be required to execute an instrument in the form of that contained in Part II in the section of the Plan titled "Unit Power of Attorney", designating the Board of Managers and their successors, as his or her attorneys in fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners.

The foregoing restrictions upon the sale and lease of Units will not apply to Sponsor or its designee with respect to any Unsold Units or to Units acquired by a mortgagee in foreclosure or

by deed in lieu of foreclosure, each of which will be free to sell or lease without first offering to sell or lease to the Condominium Board.

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

The lease for any Residential Unit (other than Unsold Units) will be in substantially the form of lease recommended by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Condominium Board.

A Unit Owner may, without restriction, make a gift of his or her Unit to anyone during his or her lifetime, to devise such Unit by will or to pass same by intestacy.

The Condominium Board may not discriminate against any person for a reason proscribed by the laws of the State of New York.

Mortgage of Units

Each Unit Owner is free to mortgage his or her Unit, provided that any such mortgage shall be a first mortgage or second mortgage made to a bank, Institutional Lender, trust, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender, the Sponsor, a family member, business associate or employer, Sponsor-designee, or to the Seller of such Unit(s). A mortgage may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, prior to the Sponsor's relinquishing control of the Board of Managers, or the Board of Managers, subsequent to the release of control by the Sponsor. Such approval shall be in the sole and absolute discretion of Sponsor or the Board of Managers as the case may be. Prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy all arrearages for any unpaid Common Charges and assessments owed by such Unit Owner and discharge any liens therefor.

Determination of and Liens for Nonpayment of Common Charges

Each Unit Owner shall have an obligation to pay Common Charges and assessments on other expenses when due. Common Charges for each Unit shall be determined by multiplying that Unit's percentage of Common Interest by the total annual net expenses incurred or

anticipated to be incurred for those items listed in Schedule B herein, together with the expense of any special repairs, major capital improvements or other expenses deemed by the Board of Managers to be a part of the Common Expenses and to be paid as Common Charges, all in accordance with Article VI, Section 1 of the By-Laws of the Condominium. Common Charges will be established on an annual basis and be paid in equal monthly installments, due and payable on the first day of each month. The Board of Managers may, in accordance with Article VI, Section 1 of the By-Laws, impose special assessments as it deems necessary, to meet unanticipated or extraordinary expenses, including, but not limited to, expenses incurred for major capital improvements. The special assessment to be paid by each Unit Owner shall also be determined in accordance with the Unit Owner's percentage of Common Interest.

Under the provisions of Section 339-z of the Real Property Law of the State of New York, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on a first mortgage of record thereon. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of notice thereof in the Register of the City of New York, County of New York, New York and until all sums secured thereby with the interest 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 may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien.

Upon the failure of a Unit Owner to pay Common Charges for the Unit within thirty days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against the Unit Owner's Unit for the unpaid Common Charges as set forth above. Failure of the Board of Managers to place such a lien shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale, transfer, or other conveyance made by him or her of his or her Unit, with appurtenant Common Elements, in accordance with the Declaration and By-Laws.

All Unit Owners shall be required to comply with the Declaration, By-Laws, Rules and Regulations of the Condominium and with any other requirements duly imposed by the Board of Managers pursuant to the authority granted to them. The Board of Managers shall have the power to impose appropriate sanctions where a Unit Owner is in default. Such sanctions include placing a lien against the Unit Owner's Unit, instituting foreclosure proceedings and filing suit against a Unit Owner. Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on units in which Sponsor is more than thirty (30) days in arrears of Common Charges while it is in control of the Board of Managers.

As long as the Sponsor or any Sponsor-designee shall continue to own Condominium Units equaling at least twenty-five (25%) percent of the total Common Interest of the

Condominium, but in no event for a period in excess of five (5) years from the "First Unit Closing", the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit; or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed 5.00% of the budgeted expenses of the Condominium; or (iii) borrow money on behalf of the Condominium, except where necessary to perform work required by applicable laws or regulations, to remedy a notice of violation or remedy a work order by an insurer, to the extent that existing reserves are insufficient.

Repairs

All maintenance of and repairs to any Unit, ordinary or extraordinary, including the skylights of a Unit, and to the doors (except painting the exterior side of a Residential Unit entrance door), windows (except painting exterior side of Residential windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, excepting as otherwise specifically provided in the By-Laws.

All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Residential Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed by (a) the Board of Managers as a Common Expense, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto), or (b) by the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, if involving nonstructural, ordinary maintenance, repairs or replacements such as a roofing surface and/or a roof deck above such surface or as a result of the Unit Owner's negligence, misuse or neglect.

The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in the By-Laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit 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 that may exist therein contrary to the intent and meaning of the provisions of the By-Laws (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the

Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and (c) in any event charge the Unit Owner with the cost of reasonable legal and other fees and costs incurred in enjoining, abating or remedying such violation.

Additions, Alterations and Improvements

Sponsor or its designee may make non-structural alterations in any Unit owned by it or with respect to any Limited Common Element for which it has exclusive use without prior consent of the Board of Managers. With respect to other Unit Owners, a non-structural alteration to a Unit that does not affect the exterior of the Building or the value of other Units may be made by any Unit Owner without consent of the Board of Managers. No Unit Owner, other than the Sponsor, or its designee, as a holder of Unsold Units may make a structural alteration in a Unit or with respect to any Limited Common Element for which it has exclusive use or which affects the exterior of the Building or the value of other Units without the prior written approval of the Board of Managers. The Sponsor or its designee needs no such consent for any of its Units.

Prior to and as a condition of granting approval to any aforementioned addition, alteration or improvement, the Condominium Board may, in its sole discretion, require the Unit Owner to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, or improvement, may be made, including, an indemnification of the Condominium Board, its members, officers of the Condominium, the Managing Agent, and all other Unit Owners harmless with respect to such proposed addition, alteration or improvement. Such an agreement shall be required to be signed by a Purchaser, prior to closing, as a condition of prior written approval of the Board of Managers, even if the Board of Managers consists of Sponsor related individuals and no Unit Closings have yet occurred. In the absence of a written indemnification any Unit Owner whose proposed alteration, addition or improvement has been approved by the Condominium Board or where such approval is not needed shall be deemed to have agreed to indemnify the Condominium Board, its members and officers, the Managing Agent and all other Unit Owners harmless with respect to such alteration, addition or improvement and matters pertaining thereto.

Any approval for the aforementioned addition, alteration, or improvement, if granted, shall provide that such addition, alteration or improvement shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements shall be maintained in their entirety by said Unit Owner and his or her successors and assigns, who shall also be responsible for any repairs, including structural repairs, to such addition in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration. Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting

of such approval and in connection with any services provided to such alteration. Such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with the request by a Unit Owner for approval of a structural alteration. Any structural addition, alteration or improvement, or addition, alteration or improvement which affects the exterior of the Building or the value of other Units to be made by a Unit Owner which does not need consent of the Board of Managers shall be subject to the aforementioned requirements in this paragraph.

All alterations performed by other than the Sponsor or its designee, whether structural or non-structural, shall be subject to regulation by the Condominium as to any one or more of the following aspects of construction:

1. time periods during which work is permitted;

2. the manner in which construction debris will be handled;

3. measures which must be taken to prevent compromising security of the Building during construction;

4. the interruption of services during construction; and

5. liability insurance for contractors during construction.

No work shall commence until all permits required by the City of New York and all insurance certificates required by the Managing Agent acting on behalf of the Board of Managers are provided to the Managing Agent. Additionally, all electrical and plumbing work shall be done by licensed contractors.

The Board of Managers and/or the manager or managing agent shall have a right of access to all General Common Elements, any Unit and/or any Limited Common Element for the purpose of inspection, making any repairs or replacements to any of the General Common Elements or Limited Common Elements contained in such Unit or elsewhere in the Building, remedying any condition which would result in damage to any other Unit or to the General Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by the By-Laws.

Certain structures cannot be built as of right with respect to the City of New York Building Code and require a variance from the City Board of Standards and Appeals. If the Board does not consent to the proposed alteration, an application for a variance is moot, since the Board would not permit the proposed alteration in any event. The Sponsor shall have the right of access to a Unit and/or any of its Limited Common Elements and to all other Common Elements in the Building for the purpose of completing its obligations as set forth in the Plan, as same may be amended. Certain structures cannot be built as of right with respect to the City of New York Building Code and require a variance from the City Board of Standards and Appeals.

If a Unit Owner does not need the consent of the Condominium for such an alteration, but a variance is needed, such a variance may be denied if it is opposed by the Board of Managers at the Condominium. Structures that increase the size of the Building require a variance. These structures include, but are not limited to: additional floors, additional penthouses, roof mezzanines, enclosure of a balcony, greenhouses and gazebos. Subject to the By-Laws and Rules and Regulations of the Condominium, which, among other requirements, assigns responsibility for negligence, misuse or neglect, a Unit Owner who has an exclusive roof terrace area may, without a Department of Buildings permit, install plantings and furniture on it.

Insurance

The Board of Managers shall be required to obtain and maintain the following insurance: fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units, including all of the Units and all fixtures installed therein by the Sponsor and any property customary to the servicing and general occupancy, (but not including furniture, furnishings, equipment or other personal property supplied or installed by Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an aggregate amount to be determined by the Board of Managers but in no event to be less than the full replacement cost of the Building, including the above noted items, but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker. All such policies shall provide that adjustment of loss, if over $100,000.00, shall be made by the Board of Managers with approval of the Insurance Trustee, if any. Additionally, the net proceeds of such adjustment, if $100,000.00 or less, shall be payable to the Board of Managers, and if more than $100,000.00 shall be payable to the Insurance Trustee, if any, to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners. At the First Unit Closing, the fire insurance coverage of the Building shall be $5,000,000.00. Said coverage shall be maintained while Sponsor is in control of the Board of Managers.

The Board of Managers shall have the right to select an Insurance Trustee as such term is defined in Article XII, Section 5 of the By-Laws of the Condominium.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. The standard mortgagee loss payable clause shall be attached to all policies.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense.

The Board of Managers shall also obtain and maintain to the extent obtainable: (1) worker's compensation insurance for Condominium employees, if any; (2) public liability insurance covering each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit. The Board of Managers shall review such limits once each year. The public liability insurance will also cover cross- liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least $1,000,000.00 covering all claims for bodily injury with respect to any one occurrence.

If, by reason of the occupancy or use of any particular Unit, the rate of fire or liability insurance for the Property shall be increased, such Unit Owner shall (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

Unit Owners may be required by the Board of Managers to carry insurance covering their own respective Units in amounts deemed appropriate by the Board of Managers. All such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

In the event of a fire or other casualty which destroys or substantially damages less than seventy-five (75%) percent of the Building, the insurance proceeds shall be dedicated to the repair and/or renovation of the Building and the Units but not the repair or replacement of any improvements made by individual Unit Owners. If the cost of such repair exceeds the insurance proceeds available the excess cost shall constitute a Common Expense and Unit Owners may be accordingly assessed a proportional amount to be paid as Common Charges.

In the event of a fire or other casualty in which more than seventy-five percent (75%) of the Building is destroyed or substantially damaged, repairs and/or restoration will be made if Unit Owners whose percentage of Common Interest, in the aggregate, is at least seventy-five per cent (75%) of the Total Common Interest, affirmatively vote for such a course of action. If no such affirmative vote is given then the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor.

Use of Units

The Residential Units may be used only for a private residence, except that a Residential Unit Owner may use his or her Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Units may also be used as professional offices by a resident thereof, provided such professional use does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use

is obtained. No illuminated or other sign may be used in connection with the aforementioned use, excepting only a professional sign, nonilluminated, not larger than the size permitted by the Board of Managers. Notwithstanding the foregoing the Sponsor or Sponsor-designee shall have the right without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to comply with its obligations.

Except as set forth above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Units or Common Elements, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right, however, is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent" or "For Lease" or similar signs on any Unsold or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one (1') foot by two (2') feet. Additionally, the right is reserved by Sponsor and its designee to maintain and staff one or more vacant and Unsold Units in the Building as a sales office and/or model Unit. Sponsor and its designee shall have the right to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building or on the facade of the Building without regard to size. Sponsor or its designee shall be responsible for installing and removing such signs.

There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, stairways, or fire towers of the Building, except in any recreational areas, if any, or other areas designated as such in the Declaration or by the Condominium Board.

Except as elsewhere provided, no exterior of any Unit or the windows or doors thereof or any other portions of the Common Elements shall be painted or decorated by any Owner in any manner without prior written consent of the Board of Managers or except as provided in the By-Laws.

No personal articles (including, but not limited to, garbage cans or bottles) and no furniture, artwork or equipment shall be placed or stored in entrances, hallways, stairways, or other Common Elements which are not limited to the exclusive use of a specific Unit Owner. No Unit Owner shall change or alter in any way the design, layout, color scheme or furnishings in entrances, hallways, stairways or other Common Elements, which are not limited to the exclusive use of a specific Unit Owner. Notwithstanding the foregoing, a Unit Owner has the right to change the lock on the door on his Unit or to add an additional lock, provided that such lock conforms in color with the other lock or locks.

No Unit Owner shall make, cause, or permit any unusual, disturbing or objectionable noises or odors to be produced upon or to emanate from his Unit or its appurtenant Limited Common Elements or permit anything to be done therein that will interfere with the rights, comforts or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to

be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner 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, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency. No jackhammering shall be permitted without prior written approval of the Board of Managers.

Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows of a Unit, any dirt or other substances. No clothes, sheets, blankets, or other articles of any kind shall be hung or shaken from any doors, windows, open terraces or open balconies, or placed upon the window sills of the Building.

No exterior shades, awnings, window guards, ventilators, fans or air-conditioning devices shall be used on or about the Building or Common Elements except such as shall have been approved by the Board of Managers or as required by law.

Except as provided above, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of a Unit or adjoining Common Element except such as shall have been approved in writing by the Board of Managers, nor shall anything be projected out of any window of the Building without similar approval.

All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct. Unit Owners shall be responsible for complying with all applicable recycling laws pertaining thereto.

Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

No Unit Owner shall engage any employee of the Condominium for any private business of the Unit Owner without prior written consent of the Board of Managers.

One dog and/or one cat and any replacement thereof, shall be permitted without consent of the Board of Managers. Subject to that exception, no bird or other animal shall be kept or harbored in any Residential Unit of the Building unless the same in each instance be expressly permitted in writing by the Board of Managers. Any such consent, if given, shall be revocable at any time by the Board of Managers. In no event shall dogs be permitted in any of the public portions of the Building unless carried or on a leash. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and hold it harmless against

any loss or liability of any kind or character whatsoever arising from or as a result of having any animal in the Building. 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.

No radio or television aerial or dish shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units.

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

The Board of Managers or the Managing Agent shall retain a pass-key to each Unit. If Sponsor or the Board of Managers must gain access to a Unit for emergency purposes and a Unit Owner has not furnished a key to the Board of Managers as provided in this paragraph, then the affected Unit Owner shall be liable and responsible for any damage to the Common Elements or such Unit caused by Sponsor or the Board of Managers in gaining access to such Unit. Furthermore, if the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

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

No Unit Owner or any visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in any mechanical equipment area without the express permission of the Board of Managers.

All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

No Unit Owner shall interfere in any manner with any portion of any equipment and/or fixtures which are part of the Common Elements and not part of the Unit Owner's Unit unless same are the property of the Unit Owner or a Limited Common Element of the Unit Owner.

Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his family members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit or Limited Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance.

Except as provided above, no Unit Owner shall be allowed to put his or her name on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

Any damage to the Building or equipment caused by Unit Owners, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

Complaints regarding the management of the Building or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

No Unit shall be used or be occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners of adjoining Units.

Certain parts of the Common Elements are intended for use for the purpose of affording pedestrian movement within the Condominium and of providing access to the Units. No part of the Common Elements shall be obstructed as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage or where specifically designated as such; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

Smoke detectors must be installed in every Residential Unit as required by New York City Building Code. It is the obligation of the Unit Owner to maintain the alarms and to make certain the units are in working order at all times. These items shall initially be installed by Sponsor.

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

windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent.

The entrances, passages, public halls, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a family member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from, the Building by another vehicle.

No group tour or exhibition of any part of a Residential Unit or its contents shall be conducted nor shall any auction sale be held in any part of a Residential Unit without the consent of the Board of Managers or the Managing Agent in each instance.

Plantings on any terrace or balcony shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches from the terrace or balcony surface, and, if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such terrace or balcony, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings. The size of such plants shall be subject to the consent of the Board of Managers.

The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

The cost of maintenance and repair of the sidewalks and adjacent curbs, including keeping them free from snow, ice, dirt and rubbish, shall be the responsibility of the Condominium. Any fees or fines assessed or levied for failure to properly keep the sidewalks and adjacent curbs free from snow, ice, dirt and rubbish and to otherwise properly maintain and repair such sidewalks and adjacent curbs shall be the responsibility of that entity with the obligation of such maintenance and repair.

The Rules and Regulations govern the use of the Units and Common Elements and may be amended from time to time by the Board of Managers. However, no amendment of the Rules

and Regulations shall be applicable to any Unsold Unit unless agreed to by Sponsor or Sponsor-designee, as the case may be.

Any consent or approval given under the Rules and Regulations of the Condominium may be amended, modified, added to, or repealed at any time by resolution of the Board of Managers. Further, any such consent or approval may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature.

REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes. 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 real estate taxes on other Units. The City of New York subdivides tax lots into separately assessed lots as of July 1st of every year. Accordingly, depending upon when the Declaration and By-Laws are recorded, there can be a delay of up to a year and several months until a separate assessment can be obtained.

The real estate tax figures set forth in Schedule A, titled "Offering Prices And Other Financial Details for Each Unit" are based upon the post-construction appraisal of the assessed valuation as estimated by The Mazursky Group, Inc., 42 Broadway, Suite 1744, New York, New York 10004.

It is anticipated that most construction will occur in the first three quarters of 2012, and that construction will be mostly complete by December 31, 2012. This date is after the previous January 5 tax status date for the tax year 2012/2013. It is projected that the post-construction assessed valuation will be fully implemented in tax year 2013/2014, covering the period July 1, 2013 through June 30, 2014. The projection assumes a tax rate of 13.35%. Since the Condominium will contain only four (4) Residential Units it is projected that the entire Condominium will be clarified as residential Tax Class 2C. Tax Class 2C consists of residential cooperatives or condominiums with no more than ten units. The City's assessment ratio policy for both tax classes is to assess at 45% of market value based upon the value as an income-producing property. Increased values for Tax Class 2A and 2C properties, other than for physical reasons, are limited to 8% per year or 30% over a five-year period. Increases for renovations are limited to 15% of the normal renovation costs.

The assessed valuation of the Property during construction and post-construction, as projected by Jerome Mazursky, is as follows:

	Land	Total
2011/2012	$162,000	$531,000
2012/2013	$162,000	$487,800
2013/14 (est.)	$162,000	$900,000

The first post-construction year of 2013/2014 is a more realistic projection of real estate taxes on a long term basis than using any period prior to that time, which will reflect a partially completed building.

The allocation of projected real estate taxes among the Units is based upon the percentage of common interest allocated to each Unit. No warranties are made that the assessments of the individual Units will be arrived at in the manner stated above.

Additionally, no guaranty is made that the projected post-construction assessed value of the Units or the tax rates for any tax year will be as set forth in the Offering Plan. These numbers and rates are projections only. Please consult the section of the Offering Plan titled "Unit Closing Costs and Adjustments" for discussion of requirements that Unit Owners, including the Sponsor, place money in escrow for payment of real estate taxes prior to the issuance of a separate real estate tax bill for each tax lot.

If, on the date of the First Unit Closing each of the Units shall not have been separately assessed as an independent tax lot, then until such time as said independent tax assessment shall be made and in effect, each Unit Owner, including Sponsor shall be nonetheless responsible for the cost of their proportional amount of the aggregate real estate taxes, with each Unit Owner paying on the basis of the percentage of Common Interest.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

A Unit Owner will own his or her Unit and its appurtenant Common Elements in fee simple absolute and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner owns his or her Unit in fee simple absolute, he or she may mortgage his or her Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

As fully set forth in the tax opinion of Stempel, Bennett, Claman & Hochberg, P.C., counsel to the Sponsor, in Part I of this Plan (the "Tax Opinion"), under present law, a Residential Unit Owner will, for Federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid or accrued under sections 163 and 164.* These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the Tax Opinion. These deductions may also affect an individual Residential Unit Owner's liability for the alternative minimum Federal income tax. Each individual Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid or accrued during the taxable year. Such deductions may also affect his or her New York City minimum tax liability.

Once the Building is converted to condominium ownership, the affairs of the Condominium will be governed by a Condominium Board. Common Charges will be borne by all Unit Owners and assessed and collected by the Condominium Board. Under present law, the exact tax status of the Condominium Board is uncertain and no opinion has been rendered with respect to it. The Federal income tax consequences to the Condominium Board with respect to the receipt of the Common Charges and of the expenditure of Condominium funds will depend on whether the Condominium Board:

(i) is treated as a conduit,
(ii) qualifies and elects to be taxed under section 528, or
(iii) is treated as a corporation.

If the Condominium Board is treated as a conduit, it will not be subject to tax. Rather, items of income, expenses, credits and deductions will be attributed to each Unit Owner in proportion to his Common Charges. Thus, for example, interest earned on funds reported by the Condominium Board would be taxed to the Unit Owners. There appear to be no judicial precedents directly supporting such treatment and the position of the Internal

---

* All section references are to the Internal Revenue Code of 1986 unless otherwise indicated.

Revenue Service (the "Service"), which is described more fully below, appears to be that a condominium management association is an association taxable as a corporation.

If it satisfies the requirements of section 528, the Condominium Board may elect to be exempt from Federal income tax on the Common Charges. Generally, those requirements are:

(i) The condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance, and care of association property;

(ii) Sixty percent or more of the gross income of the condominium management association must consist of assessments from residential unit owners ("Exempt Function Income");

(iii) Ninety percent of the expenditures of the condominium management association must be for the acquisition, construction, management, maintenance, and care of the condominium management association's property;

(iv) No part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management, or maintenance of the condominium management association's property or by rebates of excess assessments; and

(v) Substantially all of the units must be used as residences.

Under the Treasury regulations issued pursuant to section 528, a condominium management association must qualify annually for the election under section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

It appears, with respect to this Building, that the requirements for a section 528 election will be met, at least for the first year of condominium operation.

A condominium management association meeting the requirements of section 528 and electing to be exempt from Federal income tax on Exempt Function Income would be taxable at a rate of 30% on the amount by which its other income exceeds the amount of allowable deductions that are directly connected with the production of such income. Such an association, however, would not be allowed certain deductions that are available to corporations that are not taxable under section 528.

Certain published rulings of the Service implicitly state that a condominium management association which cannot qualify to elect the benefits under section 528, will be treated as an association taxable as a corporation. Consequently, unless a valid election pursuant to section 528 has been made, it appears that the Condominium Board would be taxable on that portion of

the Common Charges which exceeds the deductible expenses paid or incurred by the Condominium Board for the operation of the Condominium property. The Condominium would also be taxable on income derived from the interim investment of the Common Charges, on income from nonresidential leases of Common Elements, and on income from the operation of facilities that are available to outsiders, net of deductible expenses related to the production of such income.

If the Condominium is treated as a corporation for Federal income tax purposes, the Condominium Board might still contend that a portion of the Common Charges that it receives should not be includible in its gross income. For example, published rulings of the Service indicate that assessments collected by a condominium management association and expressly designated for use for specified capital improvements that are owned in common, and which are not commingled with funds collected for operating expenses or as contingency reserves, should not be included in the gross income of a condominium management association. No part of such an assessment may, however, be expended by the condominium management association for the benefit of an individual owner.

In addition, in connection with assessments for ordinary operating expenses, such as the Common Charges, a condominium management association may not have any taxable income if the expenses of the condominium management association with respect to managing, operating, and replacing the common elements of the Condominium either equal the assessment or any excess amount is annually returned to unit owners or applied to the next year's assessment. Based on the facts in existence at the present time, it appears that the Condominium Board is unlikely to have a substantial amount of income other than the Common Charges.

If section 528 is not applicable, moreover, the Service has noted that a condominium management association may be eligible for the tax treatment afforded to certain cooperatives under Subchapter T of the Code. However, there is very little guidance with respect to the applicability of these provisions to an association managing residential condominium units since generally only farming cooperatives avail themselves of these provisions.

If the Condominium Board makes additional assessments to cover the amounts of any Federal, New York State, or New York City tax liability incurred, such additional assessments may also be taxable to the Condominium.

The foregoing summary is for informational purposes only and Sponsor's counsel expresses no opinion with respect to the likelihood of which method of taxation will be applied to the Condominium.

EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF RESIDENTIAL UNIT OWNERSHIP.

STEMPEL BENNETT CLAMAN & HOCHBERG, P.C.
675 THIRD AVENUE
NEW YORK, NEW YORK 10017-5704
TEL (212) 681-6500
FAX (212) 681-4041
www.sbchlaw.com

RICHARD C. STEMPEL
JAMES R. BENNETT
RICHARD L. CLAMAN
STEVEN R. HOCHBERG
JOELLE B. TAUB
EDMOND P. O'BRIEN
SHARON V. SKOLNIK
GREGORY L. MAIDMAN

DENNIS H. McCOOBERY
RACHEL E. WILLIAMS
SCOTT A. SCHNEIDER
A. ALLIE PUTHIYAMADAM

OF COUNSEL
STEPHEN J. FALLIS

COUNSEL'S TAX OPINION LETTER AND OPINION CONCERNING SECTION 339-i OF THE REAL PROPERTY LAW

December 4, 2012

449 Washington LLC
415 Washington Street Suite 1B
New York, New York 10013

Re: Offering Plan for the Conversion to Condominium Ownership of Premises 449 Washington Street, New York, New York 10013

Gentlemen:

You have requested our opinion concerning (i) the availability of certain deductions for Federal, New York State and New York City income tax purposes to persons who purchase Residential Units for private residential use ("Residential Unit Owners") under the Plan and (ii) the proper treatment by the Condominium Board for such income tax purposes of the Common Charges paid or borne by all Unit Owners. Except where otherwise indicated herein, the terms used in this opinion have the same meanings as in the Plan.

In this connection, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1986 ("Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other materials as we deemed relevant, and we have assumed that the closing under the Plan will occur in 2013.

I. Deductions for Mortgage Interest and Real Estate Taxes

A Unit Owner will own his Unit and its Appurtenant Interest in the Common Elements in fee simple absolute. Accordingly, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will be individually liable for the payment of such real estate taxes. A Unit Owner, per terms of the Offering Plan, may also mortgage such Unit(s) and become individually liable for the payment of any finance charges or interest on such mortgage indebtedness.

In our opinion, a non-corporate Residential Unit Owner who itemizes his deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to his Unit in the year paid

or accrued provided that, up to the aggregate amount of $1,000,000.00 for all qualifying mortgages on all qualifying Units, A) the mortgage does not exceed the lesser of (i) the Owner's original basis in his Unit plus the cost of improvements, if any, or (ii) the fair market value of the Unit and B) his Unit is a qualified residence." A unit will be a "qualified residence" if it is either (i) the Owner's "principal residence" as that term is defined by Section 1034 or (ii) a residence as defined by Section 280A(d)(1) and the Owner selects it as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return may have two, and only two, qualified residences. In the case of a married couple filing separate returns, each taxpayer may take into account a single "qualified residence", unless by written agreement they consent to one of them taking into account a principal residence and one other residence. Under Section 461(g) of the Code, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points paid in certain cases).

In our opinion, a Residential Unit Owner whose Unit is used by him for residential purposes will, for Federal income tax purposes, be entitled to a deduction for real estate taxes incurred with respect to his Unit in the year paid or accrued under Section 164 of the Code.

It is also our opinion that each Unit Owner whose Unit is used in an active profession and/or trade or business, other than the rental of such Unit, in which the Unit Owner materially participates, will, for Federal income tax purposes, be entitled to a deduction for real estate taxes incurred with respect to his Unit in the year paid or accrued under Section 164 of the Code.

Other rules are applicable to a Unit Owner if the Unit is to be used in a trade or business or is to be held for rental. In these cases, the Tax Reform Act of 1986 will have broad impact, and no opinion is offered as to the consequences to such a Residential Unit Owner.

It is also our opinion that each Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year. Section 615 of the New York State Tax Law.

It should be noted, however, the benefit of a Unit Owner's deductions for interest and real estate taxes may be reduced if the Unit Owner is subject to the Federal alternative minimum tax, or the State or City minimum taxes. Section 55 of the Code. Sections 615 and 622 of the New York State Tax Law; Sections 11-1715 and 11-1722 of the City Code. In addition, it should be noted that state and local taxes, including real estate taxes, are not deductible for purposes of calculating an individual's federal alternative minimum taxable income, and that interest with respect to a "qualified residence" is generally deductible only to the extent incurred in acquiring, constructing or rehabilitating a "qualified residence" or in refinancing, without an increase in the principal amount thereof, such an indebtedness; the difference in the treatment of these and other items, for federal alternative minimum tax purposes may result in a taxpayer becoming subject to such tax even though he has no items of tax preference.

It should be noted that our opinion as to the availability of deductions to a Unit Owner with respect to mortgage interest and real estate taxes in connection with his or her Unit used in an active profession and/or trade or business, other than the rental of such unit, is based on the assumption that such owner will have "at risk", within the meaning of Section 465 of the Internal Revenue Code, in such profession, trade or business, an amount equal to, or in excess of his losses in connection with said profession, trade or business, including such deduction.

II. Common Charges

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

Under Section 528, added to the Code by the Tax Reform Act of 1976, some Condominium Boards may be eligible to be exempt from tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met.

Generally, these requirements are:

(i) The condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance and care of association property;

(ii) Sixty percent or more of the gross income of the condominium management association must consist of assessments from residential unit owners ("Exempt Function Income");

(iii) Ninety percent of the expenditures of the condominium management association must be for the acquisition, construction, management, maintenance, and care of the condominium management association's property;

(iv) No part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management, or maintenance of the condominium management association's property or by rebates of excess assessments; and

(v) Substantially all of the units must be used as residences.

Under the Treasury regulations issued pursuant to section 528, a condominium management association must qualify annually for the election under section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

It appears, based upon your representations to us, that the requirements for election under section 528 will be met as the Offering Plan is currently structured. With respect to requirement (v) above, "Substantially all" is interpreted in Treasury Regulation 1.528-4(b) as meaning at least 85% of the total square footage of all units in the project. Units which are used for purposes auxiliary to residential use (such as laundry areas, swimming pools, tennis courts, storage rooms and areas used by maintenance personnel shall be considered for residential purposes. Accordingly, the "Substantially all" requirement is satisfied.

Assuming the Condominium Board is eligible to make a Section 528 election, it would still be subject to tax on any income not received as assessments or other such payment from Unit Owners; thus, if the Condominium Board realized interest income from funds on deposit, such interest might be taxable to it.

If an election under Section 528 is not in effect for the taxable year, the tax status of the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528 ("existing law").

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

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners through the Condominium Board, constitute an association taxable as a corporation. In such event, such association may be deemed subject to the Federal corporate income tax (and also to New York State and New York City corporate income taxes) on the portion of the Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board which are deductible for Federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to such Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected, Rev. Rul. 75-370, 1975-2 Cum. Bull. 25, or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the association. Rev. Rul. 75-371, 1975-2 Cum. Bull. 52 Cf. Concord Village, Inc., 65 T.C. 142 (1975). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be

treated as receiving a distribution equal to the fair market value of that benefit; under the usual rules applicable to distributions of associations, a distribution is first treated as taxable ordinary income to the extent of the distributee's proportionate share of the association's earnings and profits, then as a tax-free recovery of basis to the extent thereof, and the balance, if any, as capital gain.

In this connection, it should be noted that if the Condominium Board is determined to be a separate taxable entity for federal income tax purposes, it is possible that the limitations of Section 277 may be found to apply. If this were the case, the Condominium Board's income from sources other than Unit Owners, if any, could not be offset by the Condominium Board's expenses incurred in the provision of services to Unit Owners. It is unclear how interest or other income earned on the investment of a required reserve fund would be treated for this purpose; if such income were treated as not derived from the Unit Owners in consideration of services rendered them by the Condominium Board, then such income may not be reduced by the Condominium Board's operating expenses with respect to the property and may result in a liability for taxes.

In the event that the Condominium Board is required to pay any Federal, New York State or New York City income tax, and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax. See, Old Colony Trust Co. v. Commission, 279 U.S. 716 (1929); Rev. Rul. 74-75. 1974-1 Cum. Bull. 19; Rev. Rul. 86-14 I.R.B. 1986-5, 33.

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

Thus, this opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business, other than set forth herein, or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Limited Common Elements are acquired and/or leased by the Condominium Board. It is also to be noted that under certain circumstances an owner of any Residential Unit, by virtue of such ownership, may be deemed to become a resident of New York City and that this opinion does not deal with the circumstances under which this may occur, or with the income, estate or other tax consequences that may arise therefrom. Thus, each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

In our opinion, Unit Owners will be entitled to income tax deductions. However, 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 counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations,

decisional law or Internal Revenue Service rulings on which counsel relied which cause Unit Owners not to be entitled to income tax deductions.

You have also requested our opinion concerning compliance with New York Real Property Law Section 339-i in assigning the percentage of common interest to each unit. In this connection we have reviewed the appropriate schedules in the Offering Plan.

In our opinion the assignment of percentages of Common Interest complies with Section 339-i of the New York State Real Property Law. The allocation of percentage of Common Interest for the Condominium Units in the plan is made pursuant to Section 339-i(1)(iv) of the Real Property Law, which considers each Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium.

James R. Bennett of the firm has worked with developers and drafted condominium offering plans in New York for over thirty years. He has been involved with assigning percentages of common interests to units during this time.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan.

Very truly yours,

Stempel Bennett Claman & Hochberg, P.C.

Stempel Bennett Claman & Hochberg, P.C.

RESERVE FUND AND WORKING CAPITAL FUND

Reserve Fund

No provision has been made for any Reserve Fund. Sponsor can make no guaranty or warranty that there will be no need for replacement of capital equipment within five (5) years subsequent to the First Unit closing. However, as a result of the Building having been newly renovated, it is not anticipated that major capital improvements will be needed within the next five (5) years.

Working Capital Fund

At the time of the first closing of title to each Unit to a bona fide Purchaser, such Purchaser shall pay the sum equal to three (3) months of Common Charges for the Unit being purchased at the time of the closing to the Board of Managers for its working capital (the "Working Capital Fund"). This fund would ordinarily be used for the payment of any net closing adjustments in favor of the Sponsor. However, Sponsor shall waive any such net closing adjustments with the Condominium Board in its favor which would reduce the Working Capital Fund below zero. If the net closing adjustments are in favor of the Condominium Board, the amount thereof will be paid or credited to the Working Capital Fund at the First Unit Closing by Sponsor. The amounts in the Working Capital Fund may be held or used at any time for working capital to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board of Managers in its sole discretion.

General

No provision had been made for any Reserve Fund or for any Working Capital Fund other than the above. If additional funds are required, it may be necessary to increase Common Charges or make Assessment on Unit Owners.

For such period as Sponsor retains control of the Board of Managers, neither the Working Capital Fund nor the Reserve Fund shall be used to reduce Common Charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF EITHER THE WORKING CAPITAL FUND OR THE RESERVE FUND.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management Agreement

At or prior to the First Unit Closing, the Condominium Board ("Principal" or "Owner") will enter into a management agreement with Bosse Property, LLC, having an office at 457 Washington Street, New York, New York 10013 ("Managing Agent" or "Agent"). The agreement will be for an initial term of one year, commencing on the date of the First Unit Closing. The Managing Agent will receive a stated annual fee of $12,000.00, payable in equal monthly installments. After the first year, the management agreement shall automatically renew on a month to month basis until terminated as set forth below. At any time after the first year, this agreement may be terminated at the option of either party at the end of any calendar month upon thirty (30) days' previous notice in writing from one party to the other. Upon termination, the parties shall account to each other with respect to all uncompleted business, and the Agent shall promptly deliver to the Principal all books and records and other instruments relating to the Building and the Principal that may be in the possession of the Agent.

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

(a) Cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the Building, who, in each instance shall be the Principal's and not the Agent's employees, and cause to be discharged all persons unnecessary or undesirable, except that no person presently employed at the Building shall be discharged, nor shall any new personnel be hired, without the prior consent of the Principal. It is expressly understood and agreed, however, that all employees are in the employ of the Principal, solely and not in the employ of Agent and that Agent is in no way liable to employees for their wages or compensation nor to the Principal, or others for any act or omission on the part of such employees.

(b) Cause the Building to be maintained in such condition as may be deemed advisable by the Owner, including interior and exterior cleaning, and cause repairs and alterations of the Building to be made, including, but not limited to, electrical, plumbing, steamfitting, carpentry, masonry, elevator, decorating, and such other incidental alterations or changes therein as may be proper, subject only to the limitations contained in this agreement or in the Condominium Declaration or By-Laws. Ordinary repairs or alterations involving an expenditure of over $1,000.00 for any one item shall be made only with the approval of the Principal, but emergency repairs, i.e., those immediately necessary for the preservation of the Building or for the safety of the Unit Owners, the occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building, may be made by the Agent irrespective of the cost thereof, without the prior approval of the Principal, after consultation, if feasible, with the president, vice president or treasurer of the Principal (in the order given). In the event that the Principal undertakes any capital improvement or major repair of the Building, the Agent shall be responsible for seeing that the work is done with as little interference or interruption of Building services as possible, and shall be responsible for seeing that all reasonable precautions are taken to preserve and protect the Building and the property of

the Unit Owners and the occupants of the Building. In the event that the Owner undertakes such a capital improvement or repair involving an expenditure in excess of $10,000.00, the Agent shall not be required to undertake supervisory responsibilities except under the provisions of a separate instrument setting forth the Agent's obligations and compensation relating thereto.

(c) Recommend and, with the approval of the Principal, cause all such acts and things to be done in or about the Building as shall be necessary or desirable to comply with any orders or violations affecting the Building, as a result of any action by any federal, state, or municipal authority having jurisdiction thereover, or any order of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body, except that if failure promptly to comply with any such order or violation would or might expose the Principal or the Agent to criminal liability, the Agent may cause such order or violation to be complied with after consultation, if feasible, with the president, vice president or treasurer of the Principal (in the order given). The Agent shall notify the Principal promptly after receipt of any order or violation, as aforesaid. The Principal shall be responsible for the cost of complying with any order that may be issued in respect of the Building.

(d) Enter into contracts for electricity, gas, steam, air conditioning, water treatment, elevator, telephone, window cleaning, rubbish removal, fuel oil, security services, vermin extermination, other essential services, or such of them as shall be advisable, but any such contract having a term longer than one (1) year or requiring annual payments in excess of $1,000.00 must be authorized by an officer of the Principal.

(e) Purchase all supplies and engage all repair persons as shall be necessary to properly maintain and operate the Building; make all such contracts and purchases in either the Principal's or the Agent's name, as the Agent shall elect; and credit to the Principal any discounts or commissions obtained for purchases or otherwise. Purchases in excess of $1,000.00 must be authorized by an officer of the Principal.

(f) Advise the Principal, in conjunction with an insurance broker, with respect to proper insurance coverage for the Building, its employees and occupants; if requested by the Principal, cause to be effected and/or maintained, in such amounts and through such carriers as the Principal shall designate or approve, fire, rent, plate glass, boiler, water damage, liability, workers' compensation, disability and any other insurance the Principal may elect to carry; and to cooperate with any independent insurance broker or consultant that the Principal may designate or approve and engage for the purpose of effecting insurance and protecting its interests with respect thereto. Agent, or its affiliates may receive commissions if duly licensed to do so.

(g) Check all bills received for services, work, and supplies ordered in connection with maintaining and operating the Building; pay or cause to be paid or forward to the Principal for payment as the Principal may direct, all such bills, as well as ground rent (if any), mortgage interest, mortgage amortization, water charges sewer rent, assessments, real estate taxes, and corporate income and other taxes assessed against the Principal or the Building as and when the same shall become due and payable.

(h) Bill or cause to be billed, Unit Owners for common charges, rent or other charges; use its best efforts to collect such common charges, rent and other charges; and, when and if directed by the Principal, serve notice upon Unit Owners, tenants or sub-tenants to quit and surrender space occupied by them. Also, when directed by the Principal, and on its behalf, in the name of the Agent, or in the name of the Principal, cause liens for common charges to be filed, sue for common charges, rent and other charges which may at any time be or become due to the Principal from any Unit Owner, tenant or sub-tenant in respect of space in the Building, and with Principal's consent employ special counsel, if necessary, for the purposes of commencing foreclosure proceedings or other appropriate action (subject to Principal's approval).

(i) Consider and, when reasonable, attend to complaints of the Unit Owners. If the Agent shall deem any such complaint unreasonable, it shall advise the Principal of the complaint and the reason for its opinion that the complaint is unreasonable.

(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 employees and maintenance and operation of the Building required by any federal, state or municipal authority.

(k) Not later than the tenth day of each month, render or cause to be rendered regular monthly statements, supported by disbursement vouchers, to the Principal, with remittance of amounts collected during the previous month less disbursements made on behalf of and for the account of the Principal, but only one such copy need be supported by disbursement vouchers. A copy of each such monthly statement shall be sent by the Agent to the President and Treasurer of the Principal.

(l) Set up and keep in good order a separate, accurate income and operating expense statement (other than books of account maintained by the Principal's accountants) and maintain orderly files containing rent records, insurance policies, correspondence, receipted bills and vouchers, and all other documents and papers pertaining to the Building or the operation thereof. In the event that Principal notifies Agent of any error in bookkeeping, billing or payment of expenses, Agent shall use its best efforts to correct such error immediately.

(m) Cooperate with the Principal's accountants in regard to the annual audit of the books of account of the Principal, including the annual report of the operations of the Principal for the year then ended. A copy of each such annual report after receipt from accountant shall be sent by the Agent to each Unit Owner.

(n) Cooperate with the Principal's accountants in regard to the preparation and filing on behalf of the Principal of federal, state, city and any other income and other tax returns required by any governmental authority.

(o) Assist Board of Managers in preparing an operating budget prior to the last meeting of the Board of Managers held in each calendar year, setting forth the anticipated

income and expenses for the Principal for the ensuing year, a comparison of said budget to the income and expenses of the preceding and current years, and any required explanations with respect thereto.

(p) Provide a suitable meeting place for the Board of Managers, send notices to managers and Unit Owners, prepare agendas for, and cause a representative of its organization to attend, the annual meeting of the Unit Owners and quarterly meetings of the Board of Managers of the Principal.

(q) Prepare, type, and send out all letters, newsletters and reports as the Board of Managers of the Principal may request, and in that connection, make available reproduction facilities of the Agent at a reasonable charge.

(r) Accept applications and references from all prospective unit owners, prospective tenants of unit owners, obtain credit reports relating to such prospective unit owners and tenants; obtain from unit owners proposing to sell their units such record searches as the Principal may require, and submit same to the Principal; including the preparation of all necessary documents required for approval and the scheduling of interviews and assisting the Principal's committee in obtaining such other reasonable information it may require in respect of prospective owners, and make recommendations to the Principal respecting its exercise of a right of first refusal. Agent shall cooperate with Principal's counsel when required.

(s) When the books of tentatively assessed valuations of the City of New York are opened for public inspection in each year, ascertain the assessment of the land on which each Unit is located and the assessment of each Unit and report such assessments to the Principal. Should any Unit Owner consider such assessments excessive the Agent will, if requested by such Unit Owner, cooperate with the Owner's attorneys in the preparation of an application for correction of the assessed valuation to be filed with the Tax Commission of the City of New York and, if the Unit Owner shall not have regular attorneys, retain special counsel (at Unit Owner's expense) to prepare such application (with the Agent's cooperation and to institute tax certiorari proceedings.

(t) Generally, do all things reasonably deemed necessary or desirable by the Board of Managers of the Principal for the proper management of the Building.

(u) Agent shall have the authority to prepare and secure signs to the Building with Agent's name thereon.

Everything done by the Agent under and in accordance with the provisions of this Agreement shall be done as Agent of the Principal, and all obligations or expenses incurred thereunder shall be for the account, on behalf, and at the expense of the Principal. Disbursements such as postage, messenger, photocopying, courier or overnight delivery expenses will be reimbursed to Agent by Principal. Any payments to be made by the Agent hereunder shall be made out of such sums as are available in the special account of the Principal, or as may be provided by the Principal. The Agent shall not be obliged to make any advance to

or for the account of the Principal or to pay any sum, except out of funds held or provided as aforesaid, nor shall the Agent be obliged to incur any liability or obligation for the account of the Principal without assurance that the necessary funds for the discharge thereof will be provided. The Board shall reimburse Agent promptly for any moneys which Agent may elect to advance for the account of the Principal. Nothing herein contained, however, shall be construed to obligate Agent to make any such advances.

Agent shall be entitled to the following additional fees.

(a) For selling property of the Principal or for leasing or subleasing space in the building on behalf of the Principal, when engaged for such purposes by the Principal, in a prior writing, reasonable commissions to be computed in a matter and in cash amounts as are agreed upon between Principal and Agent, when Agent is engaged.

(b) For the processing of purchase or rental or sublease applications, Agent may charge unit owners who make application to rent or sell their unit, a processing fee in the sum of Three Hundred Dollars ($300), which fee may be increased in the event additional or special credit reports are required.

(c) For the coordination and assistance with financing or refinancing of residential mortgages, Agent may charge Unit Owners who finance or refinance their unit, a fee in the sum of Three Hundred Dollars ($300).

(d) For processing and obtaining any approval required by the Department of Buildings of the City of New York the Agent may charge a Unit Owner a fee in the sum of Five Hundred Dollars ($500).

The Agent shall not be liable to the Principal for any loss or damage not caused by the Agent's own negligence or failure to comply with its obligations hereunder. The Principal will indemnify the Agent against and hold the Agent, its officers and employees harmless from (a) any liability, damages, costs and expenses (including reasonable attorneys' fees) sustained or incurred for injury to any person or property in, about and in connection with the Building, from any cause whatsoever, unless such injury shall be caused by the Agent's, its officers', Agents' or employees' own willful or gross negligence, or the Agent's failure to comply with its obligations hereunder, (b) any liability, damages, penalties, costs and expenses, statutory or otherwise, for all acts properly performed by the Agent pursuant to the instructions of the Principal, (c) any liability, damages, penalties, costs and expenses (including reasonable attorneys' fees) arising out of, resulting from, or being in any way connected with any liens filed by or on behalf of any architects, contractors, engineers, or others against the Condominium, the Board of Managers, or the party indemnified hereunder; provided, in each of the foregoing instances, that the Agent promptly advises the Principal of its receipt of information concerning any such injury and the amount of any such liability, damages, penalties, costs and expenses. The Owner further agrees to reimburse Agent upon demand for any moneys which the latter is required to pay out for any reason whatsoever, either in connection with, or as an expense in defense of, any claim, civil or criminal action, proceeding, charge or prosecution made, instituted or maintained against Agent

or the Principal and Agent jointly or severally, affecting or due to the condition or use of the Building, or acts or omissions of Agent or employees of the Principal or Agent, or arising out of or based upon any law, regulation, requirement, contract or award relating to the hours of employment, working conditions, wages and/or compensation of employees or former employees of the Principal, or otherwise; and to defend promptly and diligently, at the Principal's sole expense, any claim, action or proceeding brought against Agent or Agent and the Principal jointly or severally arising out of or connected with any of the foregoing, and to hold harmless and fully indemnify Agent from any judgment, loss or settlement on account thereof. It is expressly understood and agreed that the foregoing provisions of this article shall survive the termination of this Agreement, but this shall not be construed to mean that the Principal's liability does not survive as to other provisions of this Agreement. Nothing contained in this article shall relieve Agent from responsibility to the Principal for gross or willful negligence. The Principal will carry liability insurance, workers' compensation and employer's liability insurance, will include the Agent as an additional insured under the liability policy and will deliver a copy of such liability policy to the Agent or a certificate evidencing the same.

The Agent, at the Principal's expense, if requested by the Principal, shall procure a fidelity bond satisfactory in form to the Principal, and issued by a bonding, insurance or casualty company satisfactory to the Principal, pursuant to which the Principal will be held harmless by the surety in an amount up to a minimum of $50,000, which may be in the form of a blanket policy, from any loss of money or other personal property belonging to the Principal or for which the Principal is legally liable, caused by larceny, embezzlement, forgery, misappropriation, or any dishonest or fraudulent acts committed on or after the date of such bond, by the Agent, its directors, officers or employees. The Agent agrees to keep the bond in full force and effect throughout the term of the Management Agreement.

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

Other Contractual Agreements

At or prior to the First Unit Closing, the Board of Managers or properly authorized entity acting on its behalf may enter or re-enter into any of the service or concession agreements and/or proposals for the following services.

a) Elevator Maintenance Service;

b) Exterminator;

c) HVAC Service Contract;

d) Sprinkler Alarm Service;

These proposals are also set forth in the footnotes to Schedule B, commencing at page 28.

Sponsor has reserved the right, prior to the First Unit Closing, to enter into other contracts which will be binding on the Board of Managers, provided that such contracts do not materially increase the estimated Common Charges for the First Year of Condominium Operation nor bind the Board of Managers for a period of more than three years from the date of the First Unit Closing, unless it is customary for such type of contract to be more than three years.

IDENTITY OF PARTIES

Sponsor:

The Sponsor of the Offering Plan is 449 Washington LLC, a New York LLC, limited liability company formed as of September 9, 2011. Pursuant to the operating agreement there are three (3) members and one (1) manager. The manager is DI Development LLC, a New York limited liability company with one principal, Gizman Abbas, its executive.

Gizman Abbas maintains a business address at 415 Washington Street, Suite 1B, New York, New York. Mr. Abbas's background is in the field of finance and investment, having previously been employed at Goldman Sachs and thereafter at Apollo Management LLC.

Mr. Abbas has not previously been the Sponsor or principal of a Sponsor of any condominium, cooperative or homeowners' association offerings either within or outside of New York State. He does not own and is not a principal of any entity which owns more than ten percent (10%) of the unsold shares or units in any condominium, cooperative or homeowners' association in the State of New York. There are no judgments against Mr. Abbas or any entity in which he is or was a principal which are material to this Offering. He has never filed for bankruptcy.

There are no prior felony convictions against Sponsor and/or any principals of the Sponsor/Selling Agent. The Sponsor has never filed for bankruptcy.

Selling Agent:

In 1973 Corcoran Group was founded with seven agents and one office on the Upper East Side of New York. Now with over 35 years, they haven't just been around the block. They're been around nearly every block of New York City. In 2003, they expanded into the Hamptons and South Florida. Today they have 32 offices, over 2,200 agents and sales that have reached more than $18 billion annually.

Corcoran Group is the leader in value creation for the world's most prestigious luxury residential developers. Bringing together a proven ability to generate unprecedented value-per-square-foot with the expertise in research and analysis essential for navigating today's complex market, Corcoran builds upon its legacy of innovation, empowered by a meaningfully expanded network. Corcoran provides developers with unparalleled service and homebuyers with residences of the highest quality and most enduring value.

Managing Agent:

The Managing Agent for the Condominium is to be Bosse Property, LLC having an office at 457 Washington Street, 2nd floor, New York, New York 10013. Bosse Property manages numerous buildings. Examples include:

131 Watts Street (Condominium), New York, N.Y. 10013
78 Laight Street (Condominium), New York, N.Y. 10013
46 Laight Street (Condominium), New York, N.Y. 10013

415 Washington Street (Condominium), New York, N.Y. 10013
459 Washington Street (Condominium), New York, N.Y. 10013
8 Greene Street (Condominium), New York, N.Y. 10013

The principal of Bosse Property, LLC has been managing residential properties for eleven years. The Bosse entity was organized/registered in 2008.

Architect:

The architect who prepared the inspection report that Sponsor adopted as Sponsor's statement of Description of Property and Building Condition is Nabil Ishac of Ishac Design Architects, 247 West 35th Street, Suite 701, New York, New York 10001. Mr. Ishac is a Registered Architect with approximately sixteen (16) years' experience. He specializes in residential development and conversions, both new construction and gut rehabs. His experience includes lofts, townhouses, apartments and commercial spaces for his clients.

Counsel To Sponsor

The Sponsor has retained the law firm of Stempel, Bennett, Claman & Hochberg, P.C., 675 Third Avenue, New York, New York 10017 to represent it in the preparation and consummation of the Offering Plan. This firm drafted the Declaration, the By-Laws, this Plan, the form of Purchase Agreement, the form of deed and all other documents necessary in connection with the formation of the Condominium. James R. Bennett of the firm primarily drafted these documents. No separate counsel has been retained to represent the Condominium. It is suggested and expected that each purchaser will consult and be represented by his own counsel in connection with this Offering.

The law firm has no financial interest in the Property or the Sponsor or Selling Agent, except that it is paid a fee for legal services.

REPORTS TO UNIT OWNERS

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

(1) The financial statement of the Condominium prepared by a certified public accountant or public accountant by March 15th of each calendar year for the prior fiscal year; such statement shall be certified while the Sponsor is in control of the Board of Managers;

(2) A prior notice of the annual Unit Owner's meeting; and

(3) A copy of the proposed annual budget, if any, of the Condominium within ten (10) days prior to the date set for adoption thereof by the Board of Managers.

The obligation of the Board of Managers to give to all Unit Owners annually the financial statement of the Condominium by March 15th of each calendar year is set forth in the By-laws of the Condominium in Article XI, section 1, located on page 254 of the Offering Plan.

While the Sponsor is in control of the Board of Managers, the budget of the Condominium shall be certified as to its adequacy.

Upon written request made to the Board of Managers or the Managing Agent, the annual financial statement of the Condominium shall be made available to the holder, insurer or guarantor of any first mortgage securing a Unit.

DOCUMENTS ON FILE

Copies of this Plan and all exhibits or documents referred to herein shall be available for inspection by prospective purchasers and by any person who shall have purchased a Unit offered under this Plan or shall have participated in the offering of such Unit, at the office of Sponsor during convenient weekday hours and shall remain available for such inspection for a period of six years from the date of the First Unit Closing. The Sponsor shall, at the time of the First Unit Closing, deliver to the Board of Managers a copy of all documents filed with the appropriate recording office.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are 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 this Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending or any judgments outstanding that could materially affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof or the Sponsor's capacity to perform all its obligations under the Plan.

To the best of Sponsor's knowledge the Property has not been the subject of any prior public offering. All Units offered in the Offering Plan are vacant. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any units offered in the Plan, and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with reservation, sale or transfer of such units prior to submission of the Plan to the Department of Law.

In accordance with the provisions of the laws of the State and City of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person because of sex, race, creed, color, national origin, ancestry or other ground proscribed by law in the sale of Units offered by Sponsor pursuant to this Plan, or in the leasing of any such Units or any other portion of the Building.

Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of Sponsor, Purchasers or prospective Purchasers, without obtaining the consent of Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided, such as in the case of an uncured default, nor unilaterally change the purchase price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to this Plan. In the case of a material revision adversely affecting the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of Sponsor, such Purchasers will be given, for fifteen (15) days after the presentation of the amendment, a right to rescind their Purchase Agreements by written notice to Sponsor and be refunded all monies paid thereunder, with any interest earned thereon. However, such rescission, as to a Purchaser who first became a tenant of the Building after the acceptance date of this Plan and pursuant to a Purchase Agreement, will be conditioned on the cancellation of any interim use and occupancy agreement and surrender of possession of his Unit within thirty (30) days thereafter.

All statements and representations made in this Plan with respect to items prepared by others such as the section of the Plan titled "Sponsor's Statement of Description of Property and Specifications or Building Condition" and the Floor Plans of the Building, have been made in reliance upon the respective firms and their authority as experts.

Effective November 5, 2004, owners of Class A multiple dwellings in New York City, which include condominium units, must install carbon monoxide detectors. The law requires the owners of residential condominium units to maintain the detectors.

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

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Sponsor is not reserving the right to transfer any air or developmental rights to other buildings. Neither the current owner nor a prior owner has conveyed, transferred or reserved air or developmental rights for use in other buildings. The Property is not located in any landmark district.

Real Property Law Section 339-kk

In July, 1998, Governor Pataki signed into law the repeal of subdivision 2-d of section 352-e of the General Business Law ("GBL") and signed into law GBL Section 352-L and Real Property Law ("RPL") Section 339-kk. GBL Section 352-L pertains to cooperatives. RPL Section 339-kk pertains to condominiums.

In summary, RPL Section 339-kk provides that if a non-occupying owner fails to pay in full, within sixty (60) days after the expiration of any grace period, any common charges, assessment or late fees due for his or her unit, then the Board of Managers shall provide written notice to the tenant and the non-occupying owner stating that the tenant is to forthwith commence paying rent directly to the Condominium Association. The Board may elect not to send such notice if a majority of the Board is elected from unit owners who are in occupancy of their units. Payments of rent directly to the Board shall continue until the non-occupying owner once again becomes current with respect to common charges, assessments and late fees to the Board of Managers.

A text of RPL Section 339-kk is appears in Part II of the Plan.

SPONSOR'S STATEMENT OF DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITION

Sponsor adopts the Description of Property and Specifications or Building Condition set forth in Part II of the Plan. The Sponsor represents that the Description of Property and Specifications or Building Condition set forth in Part II, prepared by Nabil Ishac, a registered architect in the State of New York, accurately states the description of property and specifications or building conditions as of the date it was prepared. Sponsor does not know of any material defect or need for material repairs except as indicated in such Description.

Sponsor is renovating the Building, which will contain four (4) "Class A", residential condominium units.

Sponsor shall obtain a temporary or permanent "Class A" residential Certificate of Occupancy which shall cover each Residential Unit prior to the closing of title to such Unit. In the event that a permanent Certificate of Occupancy has not been obtained by such closing, Sponsor is subsequently obligated to obtain same. The proposed usage of the Units in the Offering Plan will be identical to the number of Units stated in the Certificate of Occupancy to be obtained. Sponsor estimates that the renovation of the Building will be mostly completed by December 31, 2012.

THIS PAGE INTENTIONALLY LEFT BLANK

PART II

THIS PAGE INTENTIONALLY LEFT BLANK

449 WASHINGTON CONDOMINIUM

PURCHASE AGREEMENT

PURCHASER(S) NAME: _____

Address: _____

Telephone: (bus.)_____ (home)_____

Social Sec. No.: _____

UNIT NO.: _____

Down Payment Herewith: $_____

*Amount of Mortgage (for a term of not less than ____ years): $_____

Balance Due at Closing: (Unfinanced) $_____

Total Purchase Price: $_____

Name(s) and manner in which title will be taken: _____

* If Purchase Agreement is contingent on financing, see paragraph numbered 8 herein.

Statement of Seller

449 Washington LLC, with an office at 415 Washington Street, Suite 1B, New York, New York 10013 ("Seller" or "Sponsor"), has promulgated a Plan of Condominium Ownership of 449 Washington Condominium (the "Plan") pursuant to which the land with appurtenances, and the Residential Units (the "Units") located in New York County, City of New York, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions set forth in the Plan.

Statement of Purchaser

Purchaser acknowledges as follows:

AFTER DELIVERING AN EXECUTED PURCHASE AGREEMENT, TOGETHER WITH THE REQUIRED DEPOSIT, I WILL BE AFFORDED SEVEN (7) DAYS TO RESCIND THIS PURCHASE AGREEMENT AND HAVE THE FULL DEPOSIT REFUNDED TO ME PROMPTLY, PROVIDED THAT I HAVE NOT HAD AN OPPORTUNITY TO REVIEW THE OFFERING PLAN AND ANY FILED AMENDMENTS FOR AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SUCH DELIVERY. SUCH RESCISSION MUST BE BY WRITTEN NOTICE, ADDRESSED TO SPONSOR, AND BE POSTMARKED OR HAND DELIVERED NO LATER THAN MIDNIGHT OF THE 7TH DAY SUBSEQUENT TO MY DELIVERING THE EXECUTED PURCHASE AGREEMENT. IF I HAVE HAD AN OPPORTUNITY TO REVIEW THE OFFERING PLAN AND ANY FILED AMENDMENTS FOR NOT LESS THAN THREE (3) BUSINESS DAYS PRIOR TO MY MAKING THE AFORESAID DELIVERY, I SHALL NOT BE PERMITTED THE AFOREMENTIONED SEVEN (7) DAY TIME PERIOD TO RESCIND THIS PURCHASE AGREEMENT.

The seven (7) day rescission period is (delete which ever is incorrect): applicable; not applicable.

Purchaser has been given an opportunity to examine the architectural plans for the above numbered Unit and for the building in which it is located (the "Building"), prepared by _____ (the "Architect").

Said Plan, which includes the Declaration to be made by the Seller and to be recorded in the Office of the Register of the City of New York, County of New York, the schedules, By-Laws and Rules and Regulations attached thereto, are incorporated herein by reference and made part of this Agreement with the same force and effect as if fully set forth herein.

Purchaser is desirous of purchasing the above-numbered Unit, as designated in the Declaration and on the floor plans filed or to be filed in the aforesaid Register's Office, together with an undivided interest in the Common Elements appurtenant thereto (the above-mentioned Unit and the undivided interest being hereafter collectively called the "Unit");

Agreement Between Seller and Purchaser

For good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

1. Payment for Unit. Sponsor hereby agrees to sell or have conveyed and Purchaser hereby agrees to purchase the Unit for the Total Purchase Price stated above. The Down Payment stated above has been made on the signing of this Agreement, receipt of which by check subject to collection is hereby acknowledged by Seller. The Balance Due at Closing (together with the proceeds of the mortgage loan referred to in Paragraph 8 hereof, if any) shall be payable at the closing of title, as hereinafter provided in Paragraph 2, by unendorsed certified or cashier's check of Purchaser drawn on a bank or trust company which is a member of the New York Clearing House Association to the order of Seller or as otherwise directed by Seller.

2. Closing of Title. The closing of title shall take place on no less than thirty days' prior written notice to Purchaser at such place as Seller may designate, at an hour and on a date (hereinafter called the Closing Date) to be specified by Seller. Such date shall be no earlier than thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Seller shall agree on an earlier Closing Date). Seller shall have the right from time to time, to adjourn the Closing Date on written notice to Purchaser. If adjourned, Seller shall fix a new date and time for the closing of title to the Unit and shall give Purchaser not less than five (5) days written notice of the newly scheduled Closing Date. Purchaser shall be entitled to one reasonable adjournment of up to fifteen (15) days, on five (5) days written notice by Purchaser to Seller. In addition to any other rights Seller may have by reason of Purchaser's failure to timely close title when requested, Seller shall be reimbursed by Purchaser for the cost of any real estate taxes and Common Charges commencing with and including the originally scheduled Closing Date to the actual Closing Date if Purchaser closes title beyond Purchaser's fifteen (15) day right of adjournment. Further, Purchaser shall pay to Seller a per diem amount of $300.00 commencing with and including the originally scheduled Closing Date fixed by Sponsor to the actual Closing Date if Purchaser closes title subsequent to Purchaser's fifteen (15) day right of adjournment, provided Sponsor has met its obligations under the Offering Plan to close title with respect to the Unit. Otherwise, such $300.00 per day penalty shall commence after such fifteen (15) day adjournment period once Seller has complied with its obligations under the Offering Plan to close title with respect to the Unit.

At the closing of title Seller shall deliver to Purchaser or direct the delivery to Purchaser of a bargain and sale deed, with covenant against grantor's acts, conveying the Unit to Purchaser, such deed to be in the form contained in Part II of the Plan, executed and acknowledged by Seller or as directed by Seller in form for recording.

Simultaneously with the delivery of the deed, Purchaser (i) shall cause the proceeds of any mortgage loan to be transferred to the Seller on account of the Total Purchase Price and (ii) shall execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any documents required by Seller.

3. Power of Attorney to Board of Managers. At the closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the Unit Power of Attorney to the Board of Managers in the form contained in Part II of the Plan. Purchaser agrees to deliver such Unit Power of Attorney to Seller or as directed by Seller at the closing of title for recording and to pay the recording fee.

4. Binding Effect of Declaration, By-Laws, Plan, Rules and Regulations. Purchaser hereby agrees to be bound by the Declaration, the By-Laws, the Rules and Regulations and the Plan.

5. Condition of Title. Seller agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances other than those set forth in the Plan, specifically in Part I thereof in the section titled "Terms of Sale," and Exhibits submitted in connection therewith and the mortgage referred to in Paragraph 8 hereof, if any, (as well as other mortgages, if any, obtained by Purchaser).

Notwithstanding the above, the existence of unpaid taxes or liens of any kind at the time of closing shall not constitute an objection to title, provided that a reputable title insurance company licensed to do business in the State of New York shall be willing to insure against collection of same from the Unit herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Property, not provided for in the Plan or this Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

6. Expenses of Closing and Closing Adjustments. At the closing of title or prior thereto as the case may be, Purchaser will pay the closing costs and expenses referred to in the Section of the Plan (as same may be amended to date) titled "Unit Closing Costs and Adjustments," including but not limited to, the amount of any credit for mortgage recording tax as set forth in such Section, payment for title insurance, if Purchaser elects or is required by lender to obtain same, recording fees for recording the Deed and Power of Attorney, New York City Real Property Transfer Tax, New York State Transfer Tax, transfer tax on Units which are $1,000,000.00 or more in price (if applicable), Seller's attorneys' fees for closing the Unit and costs associated with obtaining a mortgage loan. The legal fees of Seller's attorneys are in the amount of $1,500.00 and will be payable by Purchaser to Stempel Bennett Claman & Hochberg, P.C., provided that an additional fee of $300.00 per closing shall be due and payable for any Unit Closing which occurs outside the office of Seller's attorneys. A further fee of $250.00 shall be payable by Purchaser to Seller's attorney for any work involved for each assignment and/or cancellation of a purchase agreement or contract. Purchaser will also pay to the Board of Managers a sum equal to two months of common charges for the Unit being purchased as Purchaser's contribution to the Working Capital Fund of the Condominium. Except as otherwise provided in this agreement or in the Plan, real estate taxes and Common Charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. Any such expenses or adjustments payable to Seller in excess of $1,500.00 will be paid by certified check or bank check drawn on a bank or trust company which is a member of the New York Clearing House Association or any successor organization.

7. Agreement Subject to Mortgages. Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph 7, however, on the Closing Date the only mortgage to which the Unit will be subject will be any mortgage obtained by Purchaser.

8.(a) Agreement Not Contingent Upon Financing. The terms and provisions of this Agreement and the Purchaser's obligations hereunder are not contingent upon the Purchaser securing financing of the Purchase Price (or any portion thereof), and the Purchaser understands and agrees that his failure to obtain such financing will not relieve him of his obligations hereunder. The Purchaser further understands and agrees that if he chooses to finance his

purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve him of his obligations pursuant to this Agreement.

9. Default by Purchaser. If Purchaser shall fail to pay any portion of the purchase price when due, fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 2 hereof or fail to perform any of Purchaser's other obligations hereunder (including, without limitation, the obligation to furnish any lender promptly with such information as such lender may require and the obligation to accept a commitment on the terms set forth in this Agreement), such failure shall constitute a default by Purchaser and Seller may send notice to Purchaser of Seller's intention to cancel this Agreement if such default shall not be cured within thirty (30) days from the mailing date of such notice or thirty (30) days after personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within thirty (30) days from the mailing date or personal delivery of such written notice, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement by notice of cancellation to Purchaser sent after the cure period has expired. In the event that Seller shall elect so to cancel this Agreement, Seller shall certify to its attorneys, Stempel Bennett Claman & Hochberg, P.C., that title has not closed because of Purchaser's default and that Seller has elected to cancel this Agreement by reason thereof, and Stempel Bennett Claman & Hochberg, P.C., shall thereupon pursuant to Paragraph 16 hereunder, cause to have paid over to Seller as liquidated damages the Down Payment (and the actual cost incurred by Seller for any special work in the Unit ordered by Purchaser) and any interest earned thereon (if any), and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Agreement shall be canceled by Seller pursuant to the provisions of this Paragraph 9, Seller may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Stempel Bennett Claman & Hochberg, P.C., may rely upon the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

If Purchaser becomes an occupant of the Building pursuant to an Interim Use and Occupancy Agreement, his failure to pay rent or otherwise comply with his use and occupancy obligations shall constitute default under this Purchase Agreement. Upon occurrence of such default, Sponsor shall have the right to cancel this Agreement upon sending Purchaser ten (10) days prior written notice of its intention to do so. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which Purchaser must cure the specified default. If the default is not timely cured the lease or Interim Use and Occupancy Agreement will be deemed canceled by Sponsor upon the occurrence of either of the following: (i) Sponsor having obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (ii) the Purchaser having vacated the Unit. Upon such cancellation, Sponsor shall have the right to retain, as and for liquidated damages, all payments made hereunder(but in no event to exceed ten percent (10%) of the Total Purchase Price, plus any interest, excluding the actual cost incurred by Seller for any special work in the Unit ordered by Purchaser). Any additional deposits in excess of ten percent (10%) of the Total Purchase Price, plus any interest, subject to the exception with respect to the actual

cost incurred by Seller for any special work in the Unit ordered by Purchaser, shall be refunded to Purchaser promptly thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), the Purchaser and the Seller will be released and discharged of all further liability and obligation hereunder and under the Plan. The Unit may thereafter be sold to another as though this Agreement had never been made and without accounting to Purchaser for the proceeds of such sale.

Failure to comply with all obligations under this Agreement shall also constitute default under any use and occupancy obligations. Upon occurrence of any such default, Sponsor, in addition to any other rights available to it, shall have the right to terminate the occupancy upon sending Purchaser five (5) days prior written notice of its intention to do so. If Sponsor elects to terminate, Purchaser shall have five (5) days from giving of cancellation notice within which to cure the specified "failure to comply". If there is no timely cure, the occupancy obligation is terminated as of the expiration of said five (5) day period. This provision does not limit in any way other rights of Sponsor in the event of a failure to comply with the terms of this Agreement.

10. No Assignment. Purchasers shall have no right to assign this Agreement without Seller's prior written consent. Any purported assignment of this Agreement in violation thereof shall be voidable at the option of Seller.

11. Notices. Any notice to be given hereunder shall be in writing sent by registered or certified mail or personal delivery to Purchaser at the address given above with a copy to Purchaser's attorney and to Seller at 415 Washington Street, Suite 1B, New York, New York 10013 (with copy to Stempel, Bennett, Claman & Hochberg, P.C., 675 Third Avenue, 31st Floor, New York 10017) or at such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

12. No Representation. Except as herein or in the Plan specifically set forth, Purchaser acknowledges that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements of any nature, whether made by Seller, Seller's Counsel or Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the building services, the estimated Common Charges and expenses allocable to the Unit or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Purchaser agrees that Seller shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the floor plans or on the architectural plans, mechanical plans, plumbing plans, structural plans and specifications for the Building is not accurate or correct, provided such layout or dimensions conform substantially to the floor plans and the architectural plans, mechanical plans, plumbing plans, structural plans and specifications for the Building and the site as modified or supplemented in accordance with the Plan and that Purchaser will not be relieved from its obligations hereunder by reason of any minor inaccuracy or error.

13. Recording of Deed and Power of Attorney. At the closing of title, Purchaser will deliver the executed deed received from Seller and executed and acknowledged power of attorney to the representative of the title company, if any, or to Seller for recording in the Office

of the Register of the City of New York, County of New York. Such deed and power of attorney will be in the form set forth in the Plan.

14. Binding Effect. This Agreement shall not be effective or binding on Seller until a counterpart hereof is executed by Seller and delivered to Purchaser. Subject to the provisions hereof, this Purchase Agreement shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

15. Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel. This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective, provided Purchase Agreements for Units totaling not more than 80% of the Units offered under the Plan have been executed and accepted. If the Plan is abandoned or does not become effective this Purchase Agreement shall be deemed cancelled, and the Plan terminated and Purchaser is to receive back, not later than twenty (20) days thereafter, in full, all monies paid by him hereunder, and upon such repayment no party shall have any claim against any other party, person or entity, and all parties shall be released from all obligations hereunder and under the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in the Plan for any reason other than Purchaser's default, then, at Purchaser's option, upon prior written notice sent by Purchaser to Seller within fifteen (15) days subsequent to the end of the scheduled closing date, after permitted adjournments, this Purchase Agreement shall be deemed cancelled. If this Purchase Agreement is cancelled pursuant to the provisions of this paragraph, then, not later than twenty (20) days thereafter, Purchaser shall receive a refund in full, of all monies paid by Purchaser hereunder, with the interest earned thereon, if any. Upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations.

16. Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing. The required Down Payment pursuant to this Agreement will be ten percent (10%) of the purchase price for the Unit set forth in the Plan, as amended, which Down Payment shall be increased by special work or materials, if any, offered by Seller and ordered by Purchaser as itemized in this Agreement. All monies, including all deposits, down payments or advances, received by Seller through its agents or employees pursuant this Agreement either prior to or subsequent to the Consummation of the Plan will be deposited with Signature Bank, in a segregated, special escrow account or accounts titled "Stempel, Bennett, Claman & Hochberg, Escrow Management Account - 449 Washington Street" or similar name, with the name of Purchaser and Unit number added to the title of the account at its branch located at 565 Fifth Avenue, New York, New York. Such account or accounts shall be interest bearing if so requested by Purchaser in accordance with Section 71-a(3) of the Lien Law. Such funds shall be deposited within five (5) business days after this Agreement is executed by all necessary parties. Such funds will be held in trust in accordance with the escrow and trust provisions of Sections 352(h) and 352-e(2-b) of the New York General Business Law, the terms and conditions of the Plan and the Regulations promulgated pursuant to said Section 352-e(2-b) by the Attorney General's Office. Such funds will be disbursed only upon written instructions of Stempel Bennett Claman & Hochberg, P.C., Seller's attorney, as follows: (i) to Seller or as directed by Seller if the Plan is declared effective and title closes hereunder or if Purchaser defaults hereunder; or (ii) to Purchaser if the Plan is abandoned or withdrawn or title does not close because of Seller's default, or this Agreement is cancelled (without default by either party) in accordance with its terms. Down Payments, with any accumulated interest, shall remain the property of the Purchaser except as provided by law.

17. The law firm of Stempel Bennett Claman & Hochberg, P.C., with an address at 675 Third Avenue, New York, New York, telephone number 212-681-6500, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Richard C. Stempel, James R. Bennett and Steven R. Hochberg. 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.

18. 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 Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

19. The Escrow Agent has established the escrow account at Signature Bank, located at 565 Fifth Avenue, New York, New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Stempel Bennett Claman & Hochberg, P.C. Escrow Management Account ("Escrow Account") . The Escrow Account is not an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured, unless Escrow Agent has established multiple accounts on behalf of Purchaser at various institutions.

20. All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Stempel Bennett Claman & Hochberg, P.C., as Escrow Agent.

21. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently 0.25%. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

22. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide 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.

23. The 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, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase 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.

24. All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase 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.

25. 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.

26. The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in this Purchase 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) above, and the 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 the 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 the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the 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 [unit/building] is located and shall give written notice to both parties of such deposit.

The 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.

27. Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the 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 Purchase Agreement, Plan, or any amendment thereto.

28. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

29. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

30. Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Purchase Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

31. 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.

32. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its 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.

33. 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 Purchase Agreement.

34. 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.

35. 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 this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, 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 this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and

attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

As an alternative to depositing Down Payments in escrow as set forth above, Seller, provided it first obtains an exemption from the Department of Law, may post a bond or indemnity contract with a licensed surety company ensuring return of such monies, which bond or contract is to be delivered to Purchaser.

YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT.

In the event of an uncured default by Purchaser in its obligations under the Purchase Agreement, the Down Payment plus any interest earned thereon and the actual cost incurred by Sponsor for any special work in the Unit ordered by Purchaser may also be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by Sponsor for any special work in the Unit ordered by Purchaser may also be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser. No Down Payment or other monies shall be released pursuant to an uncured default by Purchaser prior to the First Unit Closing.

The balance of the purchase price will not be payable until closing of title to the Unit.

Following the declaration of effectiveness of the Plan, Purchaser will be given at least thirty (30) days prior written notice of the closing date for his Unit, which notice will also remind Purchaser of its obligation to pay the balance of the purchase price at that time and will state when Common Charges will be due and payable.

36. Equipment and Furnishings. Seller will provide Purchaser only with the fixtures, equipment, hardware, appliances, and furnishings referred to in the Plan, which are included in the purchase price of the Unit. Furnishings, equipment, appliances and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale unless specifically included by a rider to this Purchase Agreement. The cost of any such items will be added to the purchase price of the Unit.

37. Acceptance of Condition of Unit; Risk of Loss.

(a) Purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit or the Building in which it is located or (b) other Units or (c) any recreation facilities or (d) the landscaped areas or (e) other portions of the Common Elements have not been completed. Minor details referred to in (a) above shall include but not be limited to any items which Purchaser may set forth on a Punch List Inspection Statement, if any, prepared by him prior to closing.

(b) Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Seller. Purchaser shall have the right to enter and inspect such Unit prior to the closing of title, but shall be obliged to make an inspection

appointment with Seller. Under no circumstances, shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

(c) At the time of Purchaser's inspection of the Unit prior to closing, after notice from Sponsor, Purchaser shall execute 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 the Sponsor's improvements as described in the Plan, or in the Agreement for such Unit or other writing duly executed and delivered by the Sponsor have not been fully completed although such improvements have been substantially completed, then the 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 the Sponsor following the Closing for such Unit. The Sponsor's obligation thereunder will survive delivery of the deed to the Purchaser. The failure of the Sponsor to complete such work will not be a ground for the Purchaser to delay the closing. The Sponsor and its contractors, subcontractors agents and employees, will have a right of access to enter the Unit after closing in order to complete the work on the Inspection Statement.

(d) Failure of the Purchaser either to arrange an appointment 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 the Purchaser from paying the balance of the purchase price when due and shall constitute the Purchaser's full acceptance of the Unit. However, nothing herein shall relieve the Sponsor of its obligations as set forth in Section of the Plan entitled "Rights and Obligations of Sponsor".

(e) Purchaser represents to Seller that he has examined the Unit and agrees that his execution of this Purchase Agreement shall constitute acceptance of the Unit and the Building and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein, in their present condition on the date of this Purchase Agreement, subject to reasonable use, wear, tear and natural deterioration between the date of this Purchase Agreement and the Closing Date and subject to any other obligations of Seller under the terms of the Plan to complete the Unit.

(f) Except as set forth below, the risk of loss from fire or other casualty with respect to the Unit shall remain with the Seller until the closing of title for the Unit. The Seller, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Purchase Agreement. Subsequent to the filing of an amendment substantiating effectiveness of the Plan, Seller may be required to repair or restore as set forth below. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit. Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit and Seller shall not be obligated to repair any damages to the Unit or his appliances, fixtures and equipment. However, Purchaser does not assume the risk of loss to the Unit if the cause of such loss originated outside his Unit and did not result from the acts of Purchaser or the other occupants of the Unit or Purchaser's guests, invitees or workmen. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then his failure to repair the damage shall not excuse him from paying the balance due under this Purchase Agreement and accepting title to the Unit.

(g) With respect to all risk of loss after an amendment substantiating effectiveness of the Plan has been filed but prior to closing, Seller is not obliged or liable to repair the damage or restore the Unit other than to repair damage or destruction from fire or other casualty to the Property to the extent of an aggregate of an amount equaling one half of one percent of the Total Purchase Price set forth on the front cover of the Plan (minus certain amounts which Seller is required to spend to cure or comply with any work order from an insurer or to secure or comply with a defect in title or hazardous or dangerous condition against the Property which did not exist on the date of acceptance of the Plan). If Seller or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage which Seller is not required to repair or replace, this Agreement shall continue in full force and effect, Purchaser will not have the right to reject title to the Unit or to receive a credit against, or abatement of, the purchase price, and Seller will be entitled to a reasonable period of time to complete (or to permit the Condominium Board to complete) such repairs or replacements. Purchaser will not be required to pay the balance of the purchase price unless and until (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss will belong entirely to Seller (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser will promptly, upon receipt, turn them over to Seller. The provisions of the preceding sentence will survive the closing.

(h) In the event Seller is not obligated to restore or repair as set forth above and notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement will be deemed canceled and of no further force or effect and Seller will instruct its attorneys to return to Purchaser all sums deposited hereunder (with interest, if any) whereupon the parties will 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), Seller will retain the sums as liquidated damages.

38. Possession of Unit Prior to Closing. It is expressly understood and agreed that the Purchaser shall in no event take possession of the Unit prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of this Agreement, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Seller, and if the Seller so elects, the Seller may cancel this Agreement and the amount deposited hereunder shall belong to the Seller as liquidated damages deemed earned hereunder. It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the Property before, on or after the closing of title herein. Seller may, in its discretion, grant Purchaser possession of the Unit prior to closing under an interim use and occupancy agreement, if the Unit is currently or hereafter becomes vacant.

39. Limitation of Seller's Liability. The Seller's liability under this agreement for failure to complete and/or deliver or have delivered title for any reasons whatsoever except for

Seller's willful default shall be limited to the return of the money deposited hereunder (with interest, if any), and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any liability hereunder. The above limitation does not in any way modify Seller's obligation to transfer title subject only to Permitted Encumbrances or otherwise complete Sponsor's obligations unless Sponsor abandons the Plan. In any event, the Seller shall not be required to bring any action or proceeding to render the title to the Unit marketable or to cure any objection to title. The Seller shall be excused from performing any obligation or understanding 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 the Seller. The Seller's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

40. Definitions. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be deemed joint and several. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

41. Gender. The use of the masculine gender in this Purchase Agreement shall be deemed to refer to the feminine gender or to an entity whenever the context so requires.

42. Other Agreements. This Purchase Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them and no oral representations or statements shall be considered apart hereof.

43. Amendment of Purchase Agreement. This Purchase Agreement may not be amended, altered or discharged except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

44. Brokerage. Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than _____. Purchaser hereby agrees to indemnify, defend and hold Seller harmless from any claims by any other broker that alleges that he has dealt with Purchaser in connection with the purchase of the Unit.

45. Prohibition Against Advertising. Prior to the closing of title, the Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without the Seller's prior written consent. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by the Purchaser prior to Closing of title shall be a default by the Purchaser.

46. Governing Law. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of New York.

47. Jury Waiver. Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this Purchase Agreement or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

48. Acceptance by Seller. Within twenty (20) days after delivery to Seller or its Agent by Purchaser of this Purchase Agreement, executed by Purchaser, Seller will either:

(a) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof or;

(b) reject this Agreement offer and refund the downpayment tendered by Purchaser.

49. Transfer Tax Return. At closing, Purchaser and Seller will duly complete and sign before a Notary Public the transfer tax return required to be filed with the City of New York and the appropriate New York State form (TP-584 or its successor) and any other forms required to be filed with the New York County Register's office. The transfer tax return, TP-584 form and New York State Real Property Transfer Report shall be delivered at closing to the representative of purchaser's title insurance company (or, if none, to Seller's attorney) for filing with the proper governmental officer. Purchaser shall also execute and deliver to Seller a W-8 or W-9 Internal Revenue Service form.

50. Survival. The closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance by Seller with each and every term of this Purchase Agreement, except as to any item specifically listed and excepted therefrom.

51. Conflict with Plan. Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

52. Foreign Investment in Real Property Tax Act. Pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA), upon disposition of a United States real property interest by a foreign person on or after January 1, 1985, the Purchaser of such real property interest must deduct and withhold a tax equal to ten percent (10%) of the purchase price unless the Seller furnishes a certificate that it is not a foreign entity or individual. Seller, a New York Limited Liability Company, will furnish to Purchaser a non-foreign certification at closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

53. Costs of Enforcing and Defending Agreement. The Purchaser shall be obligated to reimburse the Seller for any legal fees and disbursements incurred by the Seller in defending the Seller's rights under this Agreement or, in the event the Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing the Purchaser's obligations hereunder.

54. 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.

55. 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.

56. Captions. The captions in this Purchase Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Purchase Agreement, or the intent of any provision hereof.

Dated: _____, New York

_____

_____L.S.

_____
Purchaser

Accepted:

449 WASHINGTON LLC

By:_____

Dated:_____

Agreed: Escrow Agent

Stempel Bennett Claman & Hochberg, P.C.

By:_____

Dated: _____

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS

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 young 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 of 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 purchase.

Seller's Disclosure (initial)

_____ (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

[ ] Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

_____

_____

[x] 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 one below):

[ ] Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

_____

_____

[x] Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (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 one below):

[ ] 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

[x] 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 Acknowledgment (initial)

_____ (f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) 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 provided by the signatory is true and accurate.

Seller	Date	Seller	Date
Agent	Date	Agent	Date
Purchaser	Date	Purchaser	Date

© 2012 Matthew Bender & Co., a member of the LexisNexis Group.

THIS PAGE INTENTIONALLY LEFT BLANK

NEW YORK STATE DEPARTMENT OF LAW

MODEL FORM OF ESCROW AGREEMENT

AGREEMENT made this 27 day of December, 2012, by and among _____ ("PURCHASER"), 449 Washington LLC ("SPONSOR"), as sponsor of the 449 Washington Street offering plan ("Plan") and Stempel Bennett Claman & Hochberg, P.C. ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium ownership at the premises located at 449 Washington Street, New York, New York 10013 subject to the terms and conditions set forth in the Plan; and

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

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT has established an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of unit [__] (the "Purchase Agreement") at Signature Bank located at 565 Fifth Avenue, New York, New York in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Stempel Bennett Claman & Hochberg, P.C. Escrow Management Account ("Escrow Account"). The account number is [redacted]

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Richard C. Stempel, James R. Bennett and Steven R. Hochberg. All designated signatories are admitted to practice law in the State of New York.

All of the signatories on the Escrow Account have an address of Stempel Bennett Claman & Hochberg, P.C., 675 Third Avenue, New York, New York 10017, and a telephone number of 212-681-6500.

1.3 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 this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing .

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

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of Stempel Bennett Claman & Hochberg, P.C., as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. 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 the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR 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 shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-3(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the unit;

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then 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 PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR 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 paragraph 3.2 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 [unit/building] is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

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

5.2 A fiduciary relationship shall exist between ESCROW AGENT, and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352(e)(2-b) and 352(h).

5.3 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. RESPONSIBILITIES OF SPONSOR.

6.1 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, using such transmittal forms as required by ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its 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.

6.3 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 Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

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.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-(h)and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

STEMPEL BENNETT CLAMAN & HOCHBERG, P.C.

By: _____
Name: James R. Bennett
Title: _____

SPONSOR

449 Washington LLC

By: _____
Name: Gizman Abbas
Title: MANAGER

PURCHASER

[INSERT NAME]

By: _____
Name: _____
Title: _____

UNIT OWNER POWER OF ATTORNEY

The undersigned, , the Owner of Unit No. in the Condominium known as WASHINGTON CONDOMINIUM, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration dated , 20 , and recorded in the New York County office of the Register of the City of New York on , 20 in CRFN# and on the Floor Plans on file in said office as CRFN# , do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of Washington Condominium, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution: (i) to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units in said Property, in accordance with their Common Interests, any Unit whose Owner desires to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the rights and privileges appurtenant thereto, the interest of such Unit Owner in all other assets of the Condominium as defined in the aforementioned Declaration or any Unit, which shall be the subject of a foreclosure or other judicial sale; or (ii) to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, pursuant to the offer as required by the right of first refusal, and on such terms as said attorneys-in-fact shall deem proper; and (iii) thereafter to convey, sell, lease or mortgage (but not to vote the votes appurtenant thereto) to otherwise deal with any such Units so acquired by them, or to sublease any Unit so leased by them on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (iv) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to all Units, including retaining counsel and taking any other actions which the Board of Managers deems necessary or appropriate; and (v) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Property which the Board of Managers deems necessary or appropriate to comply with any law, ordinance, regulations, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Common Elements which the Board of Managers deems necessary or appropriate.

The acts of a majority of such persons shall constitute the acts of said attorneys-in-fact.

The undersigned do hereby nominate, constitute and appoint 449 Washington LLC ("Sponsor"), as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common

Interests of the affected Unsold Units resulting therefrom made by Sponsor or its Designee in accordance with Article 16 of the Declaration, or (2) shall be required by (a) an institutional lender procured by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) and the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph, shall remain in full force and effect until such time as the Sponsor or Sponsor-designee(s) shall cease to own any Units in the Condominium.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this day of , 20 .

_____

_____

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the _____ day of _____ in the year ____ before me, the undersigned, personally appeared _____, personally known to be or proved to be on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and office of individual
taking acknowledgment

THIS PAGE INTENTIONALLY LEFT BLANK

FORM OF UNIT DEED

THIS INDENTURE made the day of , 20__, between 449 Washington LLC, a New York limited liability company having an office at 415 Washington Street, Suite 1B, New York, New York 10013 "Grantor", and "Grantee",

WITNESSETH:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit No. in the Building known as _____ Condominium, located at 449 Washington Street in the Borough of Manhattan, County of New York, City and State of New York, and also designated and described as Unit No. in the Declaration of Condominium comprising Washington Condominium (hereinafter called the "Property") made by the Grantor under the Condominium Act of the State of New York, as amended (Article 9-B of the Real Property Law of the State of New York), dated , 20__, and recorded in The New York County Office of the Register of the City of New York, on the day of , 20__, in CRFN# (hereinafter called the "Declaration"), which Unit is also designated as Tax Lot No. on the Floor Plans of the Building certified by , and filed simultaneously with said Declaration in the said Office of the Register of the City of New York, County of New York as Map No. _____ (hereinafter called the "Unit"). The Property is described as follows:

All that certain plot, piece or parcel of land, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Washington Street distant 50 feet southerly from the southeasterly corner of Washington and Watts Streets at the southerly face of the southerly wall of the building on the premises adjoining on the North.

RUNNING THENCE easterly along a line forming an angle of 89 degrees 44 minutes 40 seconds on its northerly side with the easterly side of Washington Street, but part of the distance along the northerly faces of the northerly walls of the buildings on the premises herein described, 79 feet 9 inches to the easterly face of the easterly wall of the one-story brick extension building on the premises herein;

THENCE southerly along a line forming an angle of 90 degrees 03 minutes 40 seconds on its westerly side and partly along the easterly face of such wall, 25 feet ¾ of an inch to the southerly face of such one-story extension building.

THENCE partly along the southerly faces of the southerly walls of the buildings on the premises herein, 80 feet 3-3/4 inches to the easterly side of Washington Street at a point therein distant 25 feet 2 inches southerly from the point of BEGINNING; and

THENCE northerly along the easterly side of Washington Street, 25 feet 2 inches to the point of BEGINNING.

TOGETHER with all right, title and interest of the Grantor in and to the land lying in the streets and roads in front of and adjoining the Property.

TOGETHER with any strips or gores adjoining the above described Property on any of the sides thereof.

TOGETHER with an undivided percent interest in the common elements of the Property described in said Declaration (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Unit;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with and SUBJECT to all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

SUBJECT to easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or of the Common Elements, after damage, condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

SUBJECT also to an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

TOGETHER with and SUBJECT TO EASEMENTS, rights of way, restrictions and encumbrances created by the Declaration for Washington Condominium recorded in The New York County Office of the Register of the City of New York on the day of , 20__, in CRFN# .

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in New York County Office of the Register of the City of New York, which provisions, together with any amendments thereto, 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 such provisions were recited and stipulated at length herein;

EXCEPT as otherwise specifically permitted by the Board of Managers of the Condominium or provided in the Declaration or in the By-Laws, the Unit is intended for (Residential) use only;

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any whatsoever, except as aforesaid;

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision 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.

The Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvements before using any part of the same for any other purpose.

IN WITNESS WHEREOF, the Grantor has duly executed this deed the day and year first above written.

449 WASHINGTON LLC

By:_____

By:_____

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 by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and office of individual
taking acknowledgment

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 by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and office of individual
taking acknowledgment

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 by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and office of individual
taking acknowledgment

THIS PAGE INTENTIONALLY LEFT BLANK

DESCRIPTION OF PROPERTY

AND SPECIFICATIONS OF BUILDING CONDITION

THIS PAGE INTENTIONALLY LEFT BLANK

In the matter of the condominium offering of:

449 Washington Street, New York, New York

The following is a description of the property with specifications, per Part 20 of Title 13 NYCRR Section 20.7 (a) to (dd) plus additional information:

(a) Location and use of property:

1. Address: The building is located at 449 Washington Street in the Borough of Manhattan, New York City, between Watts Street and Debrosses Street.
2. Block and lot number: The block number is 224 and the lot number is 23.
3. Zoning: The property is zoned C6-2A within TMU (Tribeca Mixed-Use) – Area 5, a special purpose district.
4. Permissible Use: The proposed 4 residential dwelling units, in a renovated building, is a permissible use according to Article 32-11 and 22-12 of the NYC Zoning Resolution.
5. Hydrant: Located on south-east corner of Washington Street and Watts street. Refer to site plan for distance.

(b) Status of Construction:

1. Year Built: The existing 5-story portion of the building was built circa 1920 and formerly renovated in 1991 with miscellaneous alterations from circa 1998 to 2001. The property is currently undergoing renovations to convert the existing commercial building to accommodate 4 residential dwelling units, which includes interior alterations, as well as the addition of a 6th story with a mezzanine (7th) level penthouse.
2. State date: 14th September 2011
3. Anticipated completion date: 31st July 2013
4. Class of Construction: The existing 5-story building is listed as 'Class 1-Fireproof', per Certificate of Occupancy No. 100306. The current renovation has been designed and permitted for construction, as a 'Class 1-Fireproof' building, as defined by the 1968 New York City Building Code.
5. This is not a self-certified job.
   (i) This building is a Quality Housing Project. Compliance is demonstrated below;(28-11) Bulk: See zoning computation.
   (ii) (28-21) Minimum required size of apartments is 400sqf: Proposed minimum size of apartments is 1,787sqf.
   (iii) (28-22) Windows: All windows are double glazed.

(iv) (28-23) Refuse and Storage Disposal is exempt if there are less than 9 dwelling units: 4 dwelling units proposed.

(v) (28-24) Laundry Facility is exempt if there are less than 20 dwelling units: 4 dwelling units proposed.

(vi) (28-25) Daylight in corridor: N/A

(vii) (28-31) Recreation Spaces is exempt if less than 9 dwelling units: 4 dwelling units proposed.

(viii) (28-33) Planting: N/A

(ix) (28-40) Safety and Security is exempt if less than 10 dwelling units: 4 dwelling units proposed.

(x) (28-50) Parking: N/A

6. Certificate of Occupancy: Existing Certificate of Occupancy No. 100306, lists the use-group classification as 'Commercial'. The current 'Alteration Type-1' filing proposes that the use-group be revised to 'R-2-Residential: Apartments'. The project has been issued a permit for this alteration job.

7. A Temporary Certificate of Occupancy (TCO) indicates that the property is safe for occupancy but it has an expiration date. TCO typically expires 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. Buyers are advised to visit the DOB website for further recommendations when purchasing unit(s) in a building that does not have Final Certificate of Occupancy. In addition, see the special risk section of the offering for further disclosure regarding TCO issues.

8. Alteration permit numbers and description of work executed:

   a. Miscellaneous alteration permits issued from 1998 to 2001 (previous assorted work including partitions, structural, sprinklers, mechanical and plumbing items).

   b. Job# 120852791-01-AL (current): Alteration Type 1 – construction work to extend a 6th floor and penthouse floor on top of an existing 5 story building, and the conversion of the interior layouts to accommodate 4 class 'A' apartment units.

(c) Site:

1. Size: The building covers 99% of the building lot. Per existing Certificate of Occupancy No. 100306, the lot measures 79'-9" along the north side, 25'-0-3/4" along the east side, 80'-3-3/4" along the south side, and 25'-2" along the west frontage. The lot area is approx. 2014 sf.

NYC BUILDINGS

PD1: Plot Diagram

Must be typewritten.

DEPT. BLDGS. 120852791 Job Number

SC100219044 Scan Code

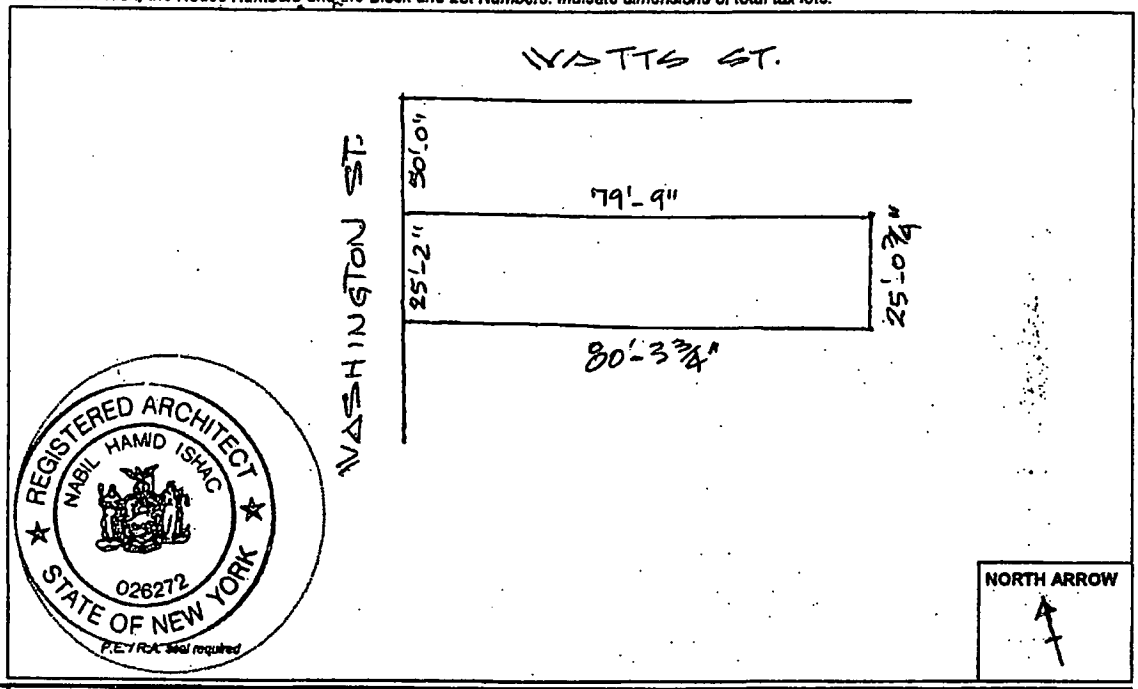
1 Location Information

House No(s) 449 Street Name Washington Street

Borough Manhattan Block 224 Lot 23 BIN C.B. No. 101

2 Plot Diagram of Zoning Lot

Plot Diagram must show the correct street lines from the City Plan; the plot to be built upon in relation to the street lines and the portion of the lot to be occupied by the building; the legal grades and the existing grades, properly identified, of streets at nearest point from the proposed buildings in each direction; the House Numbers and the Block and Lot Numbers. Indicate dimensions of total tax lots.



3 Description of Land and Premises *The zoning lot on which the premises is located is bounded as follows:*

BEGINNING at the point on the East side of Washington Street distant 50 feet

South of the corner formed by the intersection of Washington Street and Watts Street

running thence South 25'-2" feet; thence East 80'-3"3/4 feet; thence North 25'-0"3/4 feet; thence West 79'-9" feet;

2. Number of Buildings and Use: There is (1) building on the property, which is to contain an R2-Residential use. There will be 4 dwelling apartment units distributed throughout floors 1 to 7. The cellar level is to contain utility equipment for electrical, gas, domestic water and fire protection systems.

3. Streets owned or maintained by the project: There are no streets owned or maintained by the property.

4. Drives, sidewalks and ramps: There is a concrete sidewalk bordering the west side of the property, owned by the City of New York but to be maintained by the property owner per Section 7-210 of the NYC Administrative Code. The sidewalk appears to be in fair condition but the Sponsor will undertake a repair that will make the sidewalk compliant with current D.O.T regulations. Additionally, the Sponsor will provide in-ground radiant heating to facilitate snow and ice removal during the winter season. There is a 10-foot wide curb-cut centered on the width of the west frontage, however, there are no driveways or ramps (see image below).

   (i) The sidewalk, curb cuts and ramps are all ADA compliant and must be free of tripping hazard and ponding. The Condominium will be responsible for maintaining the sidewalks in accordance with requirements of the DOT.

   (ii) There are no sidewalk vaults. The Condominium does not need to obtain Right-Of-Egress from adjacent neighbor.

   (iii) Sidewalk and ramps will be sloped so as to drain water away from the foundation of building.



(d) Utilities:

1. Water: Provided by the City of New York and distributed throughout the building via copper piping. There will be a single water meter in the cellar, off a 2" domestic service

water main with a backflow preventer (i.e. in-line RPZ assembly). Domestic water heaters will be provided in each condominium unit. Water usage shall be part of the common charges.

2. Sewage System: There are (2) common 4" waste stacks serving the residential condominium units, connecting to a 4" sewage main in the cellar. The 4" sewage main connects to an 8" combined sanitary/storm main, which connects to the public sewer line beneath Washington Street. All costs for the sewage connection are contained with the water and sewage taxes and are paid proportionately by unit size in the common charges of the Condominium.

3. Gas: Provided by Con-Edison. Each residential condominium unit will be individually metered and billed directly by Con-Edison.

4. Electric: Provided by Con-Edison. Each condominium unit is to be individually metered and billed directly by Con-Edison. A separate meter will be provided for electrical requirements for the elevator, entry foyer, hallway and stair lighting, exterior building lighting, heating and cooling of common areas, and other common needs. This metered electricity will be part of the common charges.

5. Telephone: Telephone service by Bell Atlantic, Verizon, AT&T or other provider (to be confirmed). Each condominium unit shall contract with, and be billed directly by the provider.

(e) Sub-soil Conditions:

1. The existing building abuts adjacent buildings on both side lot lines as well as the rear lot line. A 6-story building to the North, a 2-story building to the South, and a 1 story structure to the east surround the property and do not allow visual inspection of the subject property at grade. The front of the subject property is currently obscured with construction hoarding. Thus, while a visual inspection of the building exterior walls at grade is not possible, observation of visually accessible cellar walls, from the building's interior, resulted in no evidence of uneven settling or cracks that would indicate the presence of sub-surface soil instabilities.

2. No signs of prolonged sub-surface moisture were present in the cellar. An existing sump pit appears to contain a pump with a 2" force main to address any potential ground water infiltration.

3. Other than being approximately 1500 feet from the Hudson River, there are no nearby sources of water that pose a threat of flooding to the property.

4. A sub-grade drainage system will not be provided for the foundation of the building.

5. There will be no measures implemented to negate as-freezing stresses at foundation walls.

6. There is no potential for mudslide or erosion in the area.

7. Bearing Capacity: Greater than 1 ton/sqf.

8. Negative Outdoor Grading does not exist at this property as the ground surface slopes away from foundation wall.

9. Flood Zone: In accordance to the New York City Office of Emergency Management (OEM) Evacuation Zone Map, this building is located in Zone A of New York City.

10. On October, 29, 2012, Hurricane Sandy flooded the first floor and basement of the 449 Washington site. The water primarily entered through the front door which did not have adequate flood protection due to the fact the site was still under construction. Upon completion, 449 Washington will have a three foot flood gate available on site for installation to protect the property in the event of another storm.

(f) Landscape and enclosures:

1. There is no grass cover, plantings, fencing, gates, garden walls, retaining walls, pools or fountains on the property.

2. There is one tree situated between the pedestrian sidewalk and the street curb at the front of the building. The tree is located in a tree pit with deteriorated concrete pavers and granular material (see image on next page). The Sponsor will undertake a repair of the tree pit.



(g) Building Size:

1. Total Height: When the current renovation/addition project is completed, the building will be approximately 84'-6" from the sidewalk to the highest roof (and approx. 94'-0" to the top of the elevator bulkhead).
2. Crawl Spaces: None
3. Number of sub-cellars and cellars: There is 1 cellar; there is no sub-cellar.
4. Number of floors (actual including penthouses): When the current renovation/addition project is completed, the building will be 6 stories high with a 7th level penthouse mezzanine.
5. Equipment rooms (locations and use): Utility meters and sprinkler equipment will be located in an equipment area in the cellar. Elevator equipment will be located in a roof-level bulkhead.
6. Parapet: All terraces and occupiable roof areas will have either a 44" high structural glass guardrail or 44" high parapet.

(h) Structural System:

1. Exterior of Building:

(i) Waterproofing: Existing foundations walls and cellar slab have an existing vapor barrier that has remained undisturbed. However the first floor slab which is partially over grade will be disturbed due to 4'ft x 4'ft openings being performed at the location of the proposed steel columns. After footing, grade beams and steel columns are installed and new 4'ft x 4'ft concrete slab will join with existing slab with connecting rebars and existing vapor barrier will be extended to the underside of new 4'ft x 4'ft slab.

(ii) Sound insulation: R30 insulation will be provided between floors and double glazing to all windows for proper sound insulation of the building.

(iii) Local Law 11: At a height of 69'-11" this building is subject to comply with the Local Law 11. The Property Profile Overview NYC DOB states the "Local Law: YES". The facade is newly constructed and will be inspected every 5 years as required by this law.

(iv) Walls: The existing building is of brick masonry, bearing wall construction, from floors 1 to 5, while the new 6th floor and penthouse, are of concrete masonry unit, bearing wall construction, with a stucco exterior finish. The front façade is braced with 4"x4" Hollow Square Steel columns. The nature of the existing foundation walls cannot be determined as they are not visually accessible, however, the cellar walls are of concrete masonry unit construction.

Exterior walls are being furred with light-gage steel studs, filled with 5 1/2" wide R-19 value or better fiberglass batt-insulation, with a kraft-paper vapor-inhibitor. The south side of the building will receive 3 layers of Stucco.

The building is subject to Local Law 10, which requires inspection of the elevator 3 times per calendar year, at 4 month intervals. See item (v) below for a list of active violations.

(v) Windows: New thermal-aluminum windows with insulated glass units are being installed (with fixed and operable units) at all condo units. All windows along the South façade, at the 3rd, 4th, 5th, 6th and 7th floors, are 'Lot Line' windows since they are installed in a wall that runs directly adjacent to the side property line. Per building code, Lot Line Windows cannot serve as required windows for light & ventilation and are provided in this instance as an amenity only. These Lot Line Windows must be sealed if the adjacent property owner decides to enlarge their building vertically to block such openings in the future. The cost of closing off these window openings is usually at the expense of the individual condo unit owner.

a. Window Frames

Manufacturer: Crystal Window & Door Systems, LTD.

Material: Aluminum.

Finish: Bronze Anodized.

Performance Standard: AW-PG80, American Architectural Manufacturers Association (AAMA) rating.

Warranty: One year limited warranty from the date of substantial completion for defects in material workmanship.

b. All windowsills, metals and hardware are corrosion resistant.

c. 24" x 26" window wells are provided to both front and rear of building where possible as a means of egress.

(vi) Landmark status: The building does not have Landmark status.

2. Parapets and copings: The new street-facing parapet will be of reinforced concrete masonry construction. The street side of this parapet will be faced with brick masonry. The roof terrace side of this parapet will be finished with stucco. Parapets facing the rear of the property will be framed with steel studs and clad on both sides with a stucco finish system. All parapets will be capped with aluminum coping units with a height of 42" above finished floor and 32" to flashing. All exterior metals, including fasteners will be corrosion resistant. Non-corrosive steel dowels will be used for masonry coping anchorage also.

3. Chimneys and caps: There are no chimneys in this building. Mechanical exhaust vents terminate at roof as open ducts with screen and rain-cap. Plumbing stack vents terminate at roof per NYC plumbing code.

4. Balconies and terraces: The building will have 4 roof terraces and 2 balconies. The uppermost condominium unit will have 1 roof terrace at the 6th floor and 2 roof terraces off the penthouse mezzanine, as well as 1 rooftop terrace above the penthouse mezzanine. The 3rd floor and 4th floor condo units, each have a terrace balcony at the rear of their respective units.

   (i) Deck finish: All balcony and roof terraces will be finished with precast concrete pavers.

   (ii) Balustrade: There are no balustrades. All private roof terraces will have CMU or steel stud framed parapets.

   (iii) Railings: The common terrace above the 7th floor mezzanine level will have structural glass guardrails.

   (iv) Copings: All coping is to be precast concrete units.

   (v) Soffits: None

   (vi) Doors to terraces: All terrace and balcony doors to be clear, tempered, insulated glass units.

   (vii) All balconies are being investigated by a structural engineer to be capable of withstanding 200lb lateral force applied at any point along the top of the railing.

   (viii) Horizontal railings without protection for ladder effect pose a serious safety risk for children.

   (ix) All balconies and terraces may not be enclosed without first getting prior authorization of the New York City Department of Buildings.

5. Exterior entrances:

   (i) Exterior doors and frames: Painted hollow metal.

   (ii) Exterior door hardware

      Manufacturer: Crystal Window & Door Systems, LTD.

      Finish: Polished Chrome

      Warranty: Locks, keepers, pivots, tilt latches, shoes, balances, hinges, crank handles and other miscellaneous mechanical parts will be free from all manufacturing defects throughout the duration of the original purchaser's ownership of the property in which said products are installed.

   (iii) Vestibule doors and frames: There is no entry vestibule.

   (iv) Exterior stairs: There are no exterior stairs. Entrance to the building is at grade, off the pedestrian sidewalk.

(v) Railings: Not applicable.

(vi) Mail boxes: Individual private mailboxes are provided at the Entry Foyer.

(vii) Lighting: Exterior lighting will be decorative, as well as functional and will be in the form of up-light fixtures, which will 'wash' the face of exterior steel columns.

(viii) Adequate lighting will be provided as per the requirements of the NYS Energy Savings Law.

(ix) Entrance will be properly sloped (1% minimum) away from building and will adequately drain excess water towards street as required by the NYC Building Code.

(x) All exterior entrances will be built free of tripping hazards.

6. Service entrances: There are no service entrances for this building.

7. Roof and roof structures:

(i) Type roofs for all areas:

a. Material: APOC Cold Process Roof System consisting of 2 Glass plies, Polyester Ply, Monoform with a White Elastomeric.

b. Insulation: Closed-cell, rigid foam insulation board (Polyiso), with high-density Polyiso protection board (combined R-value = 11.5, sloped to drain); all on 4" thick, wire reinforced, concrete and metal composite deck. R-30 fiberglass-batt insulation is provided between cold-formed steel roof joists.

c. Surface finish: All roof areas, except the stair and elevator bulkhead roof, will be used as terraces and finished with concrete pavers.

d. Bond or guarantee: 1 year General Contractor limited warranty covering installation defects and a 10 year product warranty.

e. Flashing materials including counter-flashing: APOC compatible flashing system with aluminum counter-flashing.

f. All exterior metals including fasteners will be corrosion resistant.

g. A 'No Dollar Limit (NDL) Manufacturer's Warranty' will not be provided for materials and labor. Please be advised, the sponsor is not providing a NDL Manufacturer's Warranty for the new roof. The absence of a NDL Manufacturer's Warranty may indicate that the roof membrane and appurtenances were not inspected for compliance with the manufacturer's specifications for installation. As such premature deterioration and replacement of the roof membrane may be anticipated and therefore should be budgeted for.

(ii) Drains:

a. Location, material and type: (2) roof drains (steel with dome strainer) are provided at each roof terrace area toward the perimeter corners and connect to internal storm water risers.

b. Gutters and leaders: Scuppers and rain-water-leaders are provided at the elevator/stair bulkhead and the roof top terrace.

(iii) Skylights: There will be a new fixed 'Velux' skylight (model FCM) toward the rear of the living/dining area at the First Floor dwelling unit. There will be a new wired-glass skylight (w/ wire-mesh protection) above the elevator/egress-stair bulkhead. This skylight will provide natural light to the rear of the first floor as windows cannot be provided here.

a. Curb height: 3 1/2"

b. Dimensions: 5' x 15'

(iv) Bulkheads:

a. Stairs: A new concrete masonry unit bulkhead will enclose the egress-stairway at the upper-most level.

b. Elevator: There is a concrete masonry unit elevator bulkhead over the existing elevator hoistway.

(v) Metal work at roof levels:

a. Exterior, metal stairs: Not applicable.

b. Vertical ladders, including gooseneck: One (1) steel, gooseneck ladder will be provided at each of the north and south façades, of the 7th level mezzanine penthouse (for a total of 2 gooseneck ladders), leading from the rooftop terrace down to each of the mezzanine level terraces, respectively. An additional steel gooseneck ladder will be provided from the penthouse rooftop terrace, leading up to the roof of the stair/elevator bulkhead.

c. Railings: Stainless steel railing posts support the glass guardrails at the roof top terrace.

d. Hatches to roof: Not applicable.

(vi) Rooftop facilities: The roof terrace located above the 7th level penthouse mezzanine will have built-in benches and planters.

8. Fire escapes: There are no exterior fire escape stairs. See item 10 below for interior egress-stairs for fire escape use.

9. Yard and courts: There are no yards or courts on this property.

10. Interior stairs: There is a single internal egress-stair serving the entire building. The interior fire-escape egress-stair is protected by a vertical enclosure constructed of 8" concrete masonry units. The stairs are of steel construction with steel pan and concrete treads, and steel guardrails. Floors 2 through 7 have direct access to this egress stair, which exits at the first floor, through a hallway and entry foyer, leading to Washington Street. The first floor condo unit exits directly through the first floor hallway and entry foyer.

    (i) Number of stairs of each type: 1 interior fire egress stair as noted above. The ground floor duplex condo unit and top-level triplex condo unit, each have private internal stairs connecting their respective floors. A new steel egress stairway is provided from the 1st floor down to the Cellar.

    (ii) Enclosure: The common fire-exit egress-stair has a fire-rated concrete masonry unit enclosure. The private internal stairs are not enclosed.

    (iii) Stair construction: Unit 1A will have a 42" wide, cantilevered tread, steel tube and plywood construction, interior convenience stair. Unit 4A will have a 36" wide interior convenience stair of the same construction.

    (iv) Stringers: The fire egress stairs have steel stringers.

    (v) Treads: Interior convenience stairs have 11" deep treads, steel tube frame construction, cantilevered from wall, with white epoxy painted plywood surface. Egress-stairs have cement filled steel pan treads.

    (vi) Risers: Interior convenience stairs have open risers. Egress-stairs have closed steel risers.

    (vii) Guard rails: The interior stairs at Units 1A and 4A will have ½" thick, structural glass guardrails; a handrail will be provided at the wall. The new steel egress stairs from the 1st floor to the Cellar have steel tube guardrails. The existing egress stairs have steel guardrails with vertical steel pickets.

    (viii) Balustrade: Not applicable.

11. Interior doors and frames:

    (i) Unit entrance and interior doors and frames: Typical unit entrance doors are painted, fire-rated hollow metal doors with hollow metal frames. Typical condo unit interior doors are non-fire-rated, 8'-0" high, painted wood doors with painted wood frames.

    (ii) Corridor doors and frames: Not applicable.

(iii) Stair doors and frames: Typical egress-stair doors are fire-rated hollow metal doors with hollow metal frames.

(iv) Roof door, Cellar door and frames: fire-rated hollow metal doors with hollow metal frames.

(v) All metal parts including hardware are all corrosion resistant.

(vi) All fire-proofing is equal and/or exceeds fire safety standards.

(vii) All fireproof self-closing doors will be properly labeled.

a. Manufacturer: Long Island Fireproof Doors.

b. Finish: Painted.

c. Grade: ASTM 653, American Society for Testing and Materials rating.

12. Exterior Doors and Frames:

(i) All exterior doors and frames will fire rated hollow metal doors with hollow metal frames.

a. Manufacturer: Long Island Fireproof Doors.

b. Finish: Painted.

c. Grade: ASTM 653, American Society for Testing and Materials rating.

13. Elevators:

(i) Number of passenger and service elevators: There will be 1 passenger elevator for this building and no service elevator. The passenger elevator is located in an existing hoistway (extended to address the additional floors).

(ii) Manufacturer, age and capacity: Hollister Whitney, new, capacity 2000lbs. (or approx. 11 persons based on an average of 180 lbs. per person)

(iii) Type of operation: VVVF microprocessor operation.

(iv) Type of Controls: Simplex selective collective.

(v) Floors served: The passenger elevator stops at floors 1 through 7. The elevator does not serve the Cellar and common rooftop terrace levels.

(vi) Type: overhead traction, gearless.

(vii) Doors (sliding, swinging, manual, automatic): automatic sliding w/ hinged swinging double doors where connecting directly to condo unit.

(viii) Location of machine room: rooftop bulkhead.

(ix) DC motor (manufacturer): Not applicable.

(x) AC motor-generator set (manufacturer): Hollister Whitney

14. Elevator cab:

(i) Kind (manufacturer): Columbia Elevator

(ii) Floor (material): Grey Tile

(iii) Walls (material): Standard high-pressure plastic laminate, raised wall system with pads and hooks, stainless steel front, door and trim.

(iv) Ceiling (material): Stainless steel.

(v) Lighting: 6 down-lights.

(vi) Alarm, safety system: Fire services phase 1 and 2.

(vii) The sponsor will procure a contract where monthly maintenance and call back services will be provided by the elevator company. The service shall consist of examinations of the equipment, adjustments, lubrication, cleaning of equipment, and supply parts necessary to keep the equipment in proper operation, except such adjustments, parts or repairs made unnecessary by abuse, misuse or any other causes beyond the control of the company.

(viii) Handicap access: All unit doors are wide enough, and kitchens and bathrooms have sufficient maneuverability for wheelchairs. Walls in bathrooms are also reinforced for possible installation of bathtub and toilet grab bars.

(ix) Controlled inspections: Builder has retained the services of an architect and engineer for controlled inspections of borings, sub grade, fire stops, soil percolation, masonry units, concrete test cylinders, drywall installation and underpinning, all in accordance with the requirements of the New York City Building Code.

a. Ishac Design Architects, Registered Architect

Name: Nabil Ishac

Contact: 212-947-2878

b. Regional Testing Corp, Lab Director

Name: Eugene Takhtovich

Contact: 347-221-0110

(i) Auxiliary facilities:

1. Laundry room:

(i) There is no common laundry room in the building. The condo units will be provided with ensuite laundry appliances as follows:

a. Unit 1A: A 5.1 cuft. LG washer and a 9.0 cuft. LG dryer (electric).

b. Unit 2A: A 3.6 cuft. LG washer and a 7.3 cuft. LG dryer (electric).

c. Unit 3A: A 3.6 cuft. LG washer and a 7.3 cuft. LG dryer (electric).

d. Unit 4A: A 5.1 cuft. LG washer and a 9.0 cuft. LG dryer (electric).

(ii) Room ventilation: all laundry appliances are located in closets within their respective condominium units. Ventilation for the closets is achieved from each respective condo unit space.

(i) Dryer ventilation: Dryers will be condensing, ventless types and will not require ducting to the exterior.

2. Refuse Disposal: Residential Unit Owners will be responsible for delivering refuse to the sidewalk in front of the building for pick-up by the New York City Sanitation Department. Unit Owners will be required to comply with NYC Sanitation Department regulations on recycling, and storing refuse within their units until regularly scheduled pick-up days.

(i) Incinerator: There is no incinerator in the building.

(ii) Compactor: There is no trash compactor in the building.

(iii) Approvals by authority having jurisdiction: Not applicable.

(iv) Initial storage location (ultimate storage location): Refuse shall be stored within condo units and brought out to the street curb on the night before scheduled pick-up days.

(v) Pick-up schedule, and whether public or private provider: Unit Owners shall refer to the NYC Department of Sanitation website for up-to-date pick-up schedule information. At the time of this report, the refuse pick-up days are Tuesday, Thursday and Saturday, and the Recycling pick-up days are Saturday, for this property.

(j) Plumbing and drainage: All domestic water, fire protection, gas, storm drainage, waste and vent piping will be provided as described below:

1. Water Supply:

(i) Main shut-off valve and backflow preventer will be located in cellar.

(ii) Hot and cold water piping will be insulated throughout using 1" fiberglass insulation.

2. Water Pressure and maintenance:

(i) All underside of sinks will be checked for leaks.

(ii) The water flow will be verified to be adequate at the highest discharge point in the building.

3. Domestic Water supply: A new 2" copper pipe will be connected to the New York City street main on Washington Street for domestic water supply. The service will be metered in the cellar and will be part of the common charges. Water pressure is as provided from the street main. An "RPZ" assembly with by-pass meter, located in the cellar, is provided for backflow protection of the city water system as required by the Department of Environmental Protection.

4. Fire protection system: a new light hazard sprinkler system will be provided throughout the building per NFPA 13R. A new 3" sprinkler main will be connected to the New York City street main on Washington Street. The 60 psi water pressure at street level, is per a hydrant flow test dated March 26, 2012.

   (i) Standpipes (material, size and location): A 2" steel pipe riser is located in the egress-stairwell, which feeds sprinkler heads at each floor, via a floor valve and flow switch with tamper, at each stair landing.

   (ii) Hose racks, hoses and nozzles (location): Not applicable.

   (iii) Sprinkler heads (type system and location): Concealed type sprinkler heads with white paint cover plate finish will be provided at areas with finished suspended ceilings. Upright type sprinkler heads will be provided at other locations.

   (iv) Siamese connection (type, location): A new 3" single inlet, fire department Siamese connection, is provided on the 1st floor front façade at Washington Street.

5. Water storage tank(s) and enclosures: Not applicable. Domestic hot water will be provided by an electric water heater at each condo unit. The system will not use hot water storage tanks.

6. Water pressure and how maintained: Pressure is as provided from the New York City mains. There are no water pressure booster pumps or water storage tanks in the building. The water pressure at each floor shall be according to the minimum requirements of the New York City Plumbing Code.

7. Sanitary sewage system: There are (2) common waste stacks serving the residential condominium units, one at the north demising wall and one at the south demising wall, connecting to the sanitary main and house trap in the cellar. This sewage main connects to an 8" combined storm water/sewer line, which connects to the public combined storm water/sewer line beneath Washington Street.

   (i) Sewage piping (materials): The waste stacks are cast iron, "no hub" or galvanized steel screw piping, complying with the New York City Building Code.

   (ii) Sewage pumps (if any): There are no sewage pumps.

   (iii) Sewage disposal: As described above.

8. Permit(s) required. List and include date(s) obtained: see item (u) below.

9. Storm Drainage System: Since the building covers the entire property, there are no catch basins or yards to drain. The roof of the building occurs on (5) levels, which are the roof above the stair/elevator bulkhead, the roof above the 7th level penthouse mezzanine (i.e. roof top terrace), the roof above the 6th level (i.e. penthouse mezzanine roof terraces), the roof above the 5th level (i.e. 6th floor terrace), and the roof above the 1st level (i.e. rear roof with skylight). All of these 'flat' roofs pitch to drain via tapered roof insulation. The stair/elevator bulkhead roof pitches to a scupper and leader down to the rooftop terrace. The roof top terrace pitches to scuppers and leaders on the east and west face of the penthouse mezzanine respectively; these leaders drain to their respective mezzanine terraces. Each mezzanine terrace has (2) roof drains, which respectively connect to separate 4" stacks within the building. The 6th floor terrace has 2 roof drains, which connect to a 4" stack. The rear roof above the 1st floor also connects to a 4" storm water drainage stack.

   (i) Storm Drainage Piping (materials): Storm drainage piping is cast iron, "no hub" or galvanized steel screw piping, complying with the New York City Building Code.

   (ii) Ejector or sump pumps: There is an existing sump pump at cellar level as well as a sump pump in the elevator pit.

(k) Heating: Environmental heating is provided by split package HVAC systems (comprised of exterior heat-pump condensing units and interior, ducted air-handling units). Heating is provided to maintain a minimum of 68 degrees F within the dwelling units when the outside air temperature is 5 degrees F during daytime usage. Each unit is provided with their own dedicated heat-pumps, which are either wall-mounted, or rooftop condensing units. This equipment is entirely electrical.

1. Hot Water: Heating and distribution of domestic hot water: Domestic hot water, in each condominium unit, is heated by an in-unit instant hot water device. Condo units 1A, 2A, 3A, and 4A will each have one (1) 36,000 watt domestic water heater.

   (i) Number of boilers and description: There are no boilers in the building.

   (ii) Manufacturer and age of boiler(s): Not applicable.

   (iii) Manufacturer and age of burners: Not applicable.

   (iv) Manufacturer of Instant Hot Water Heater: Stiebel-Eltron

   (v) Type of Instant Hot Water Heater: Tempra 36

   (vi) Warranty of Instant Hot Water Heater: Stiebel-Eltron, Inc. warrants to the original owner that the Tempra tank-less electric water heater will be free from defects in workmanship and materials for a period of three (3) years from the date of purchase, and free from leak age for a period of seven (7) years from the date of purchase. Should the part(s) prove to be defective under normal use during this period, Stiebel-Eltron, Inc. will be responsible for replacement of the defective part(s) only. Stiebel-Eltron, Inc. is not responsible for labor charges to remove and/or replace the defective part(s), or any incidental or consequential expenses.

(vii) Heat is distributed is via a 1-pipe system.

(viii) Type of controls: Wall mounted thermostat.

(ix) Radiators, piping, insulation, valves, and pumps: There are no radiators. A re-circulating pump is tied into each domestic hot water heating system within each condo unit. Refrigerant distribution pipes and condensate drainage piping are insulated copper tubing (1" Armaflex insulation and ½" fiberglass insulation, respectively).

(x) Fuel: Electrical

(xi) Location of oil tank: Not applicable.

(xii) Capacity of oil tank: Not applicable.

(xiii) O & M Manuals will be provided to the condominium management.

(xiv) The latest balancing report will be provided to the condominium management.

(l) Gas supply:

1. Type: Natural gas from Con-Edison is supplied to cooking ranges in each condo unit. A 2" gas main service enters at the Cellar level from the street.

2. Meters: Condo units are individually metered and billed by Con-Edison. Meters are located in the Cellar.

3. Piping: Gas piping is black steel, Schedule 40, seamless.

(m) Air conditioning: is addressed by the split-package HVAC systems noted in item (k) above.

1. Insulation in air ducts:

(i) Type: Fiberglass insulation.

(ii) Thickness: 1 1/2".

(iii) Material: Fiberglass.

(iv) R-Value: 3.

(n) Ventilation:

1. Kitchen: Each condominium unit will be provided with a range hood. The hood will be a non-venting, re-circulating air type with filter.

2. Bathrooms: Bathrooms in each condominium unit are provided with a ducted exhaust fan, which all connect to a common vent riser, which terminates at the roof as an open-ended duct with screen and rain-cap.

3. Fireplaces: Fireplaces are a non-venting, bio-ethanol burner type, model # xs340, as manufactured by Ecosmart.

4. All fireplaces are ethanol burning and are not usable wood fires.

5. Noise Emission Rating for mechanical ventilation:

   (i) Maximum: Heating 55dB, Cooling 54dB.

   (ii) Minimum: Heating 54dB, Cooling 49dB.

(o) Electrical system - A new electrical service is provided as follows:

1. Service from main service switchgear: Per Con Edison

2. Service to individual units: Each condo unit will be provided with a 200 Ampere, 42 circuit breaker, 120/208 Volt panel. Unit 3A will have 2 panels.

3. Compartment switchgear: Distribution panels provided at each condominium unit.

4. Unit service: See item 2 above.

5. Arc Fault Circuit Interrupters (AFCI) & Ground Fault Circuit Interrupters (GFCI) will be provided as per latest applicable NEC requirements.

6. There will be no tamper Resistant receptacles provided for children play areas.

7. Lutron water resistant receptacles will be provided for exterior and/or swimming pool areas.

8. Appropriate three-way switches are provided for cellar.

9. Adequacy: Each condo unit will contain a breaker panel (with the exception of unit 4A, which contains 2 breaker panels), and the minimum number of convenience outlets, and light fixtures required by the New York City Building Code. Light fixtures provided are all exposed lamps. The new 200 Amp, 3-phase electrical service provided for each unit is fully adequate for the build-out of a modern residential dwelling including a central air-conditioning system.

   (i) Service – average number of circuits: 42 circuits per panel.

   (ii) Lighting and fixtures:

   (iii) Convenience outlets, appliance outlets: Provided per code.

(p) Intercommunication and/or door signal systems, CCTV security: The condominium property will have a part-time doorman with a 24-hour virtual doorman. A security/reception desk is located in the Entry Foyer. A CCTV and door signal system will be provided. The intercommunication system will consist of a lobby/entrance panel and an apartment station located in each condo unit.

(q) Public area lighting: Outdoor fluorescent lighting will be provided at the Roof top terrace. These fixtures will be integrated with the perimeter guardrails and planters. Recessed, ceiling mounted, LED light fixtures will be provided at the First Floor Entry Foyer and hallway. Cellar lighting will be provided using industrial fluorescent strip lamps.

(r) Garages and parking areas: There is no parking garage or parking area on the property. Regulated street parking is available on Washington Street. A public parking structure is located on the adjacent lot at 445 Washington Street.

(s) Swimming pools: Not applicable.

(t) Tennis courts, playgrounds and recreation facilities: Not applicable.

(u) Permits and certificates:

1. Permits: The building is currently being renovated under permit # 120852791-01-AL. See the following table for an NYC DOB record of permits in-process and permits issued for this premises.

NYC Department of Buildings

Permits In-Process / Issued by Premises

Page: 1 of 1

JOB NUMBER	JOB TYPE	SEQ NO	ISSUED DATE	EXPIRATION DATE	STATUS	APPLICANT NAME
121342582-01-EW OT	A2 - ALT2	02	12/19/2012	04/09/2013	ISSUED	LEE JASON
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	ISSUED	[illegible]
120852791-01-PL	A1 - ALT1	01	12/20/2012	12/20/2013	ISSUED	PUNSKOVSKY THEODO
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	ISSUED	[illegible]
120840019-01-EQ SF	A3 - ALT3	04	03/07/2013	07/01/2013	ISSUED	COEN COLM
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	ISSUED	[illegible]
120826623-01-EW OT	A2 - ALT2	02	12/12/2011	04/09/2012	ISSUED	LEE JASON
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	ISSUED	[illegible]
102811548-01-EW OT	A2 - ALT2	01	02/01/2001	01/19/2002	ISSUED	MALUSHAGA SOKOL
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	ISSUED	[illegible]
1P0001286-01-		01	04/23/1990	02/17/1991	ISSUED	STOCKWELL, JAY

2. Inspections: The NYC Department of Buildings will inspect and sign-off on all general construction and elevator work. The HVAC and structural work will be inspected and signed off by engineers licensed in the state of New York (special inspections requirement). The sprinkler and plumbing work will be signed-off by installers so licensed in the City of New York.

3. Certificates: The New York City Department of Buildings (NYC DOB) will issue a Temporary Certificate of Occupancy, and then a final Certificate of Occupancy for the proposed work. The NYC DOB will also issue a final Certificate of Operation for the Elevator. There are no specific certificates for the plumbing and sprinkler work.

(v) Violations: As of the date of this report, the following NYC DOB (Dept. of Buildings) violations are recorded for this property:

NYC Department of Buildings

DOB Violations

Page: 1

NUMBER	TYPE	FILE DATE
[redacted] 45 WASHINGTON STREET MANHATTAN		BIN: 1002820 Block: 23 Lot: 20
V* 2320-74	DOB VIOLATION - CLOSED	00/00/0000
CLOSURE DATE: 09/28/2011		
V* 6647-85	DOB VIOLATION - CLOSED	00/00/0000
CLOSURE DATE: 09/28/2011		
V* 121189C5TM1	DOB VIOLATION - DISMISSED	12/11/1989
DISMISSAL DATE: 11/18/1991		BADGE NO.: 512
V 081991CAZMC01	DOB VIOLATION - DISMISSED	08/19/1991
V 052802E9013/155233	DOB VIOLATION - ACTIVE	05/28/2002
V 022006E9444/[redacted]	DOB VIOLATION - DISMISSED	02/20/2006
V 122206E9444/185035	DOB VIOLATION - ACTIVE	12/22/2006
V 110707E9444/[redacted]	DOB VIOLATION - ACTIVE	11/07/2007
V 110308E9444/282156	DOB VIOLATION - ACTIVE	11/03/2008
V 040109E9444/[redacted]	DOB VIOLATION - ACTIVE	04/01/2009
V 110110E9028/361635	DOB VIOLATION - ACTIVE	11/01/2010
V 100810VCAT100188	DOB VIOLATION - ACTIVE	10/08/2010
V 121311EVCAT100188	DOB VIOLATION - ACTIVE	12/13/2011
V 100112EVCAT100192	DOB VIOLATION - ACTIVE	10/01/2012

There NYC DOB records indicate (8) 'open' or 'active' violations against the building. All eight violations are for failure to obtain elevator inspections per Local Law 10. If not cleared, open violations with outstanding fees due to the City of New York may result in lien action against the property by the City of New York.

As of the date of this report, there are (6) 'open' violations against the building as indicated in the following NYC DOB ECB (Environmental Control Board) record. The records show an outstanding balance of $6,000 in penalties which are due to the NYC DOB for 'work without a permit' and for failure to provide approved DOB plans at the job site.

The Sponsor will have all violations resolved/closed prior to receiving the TCO (Temporary Certificate of Occupancy). Please refer to Special Risks, Part 1 for Sponsor's obligations.

NYC Department of Buildings

ECB Query By Location

Premises: 449 WASHINGTON STREET MANHATTAN — BIN: 1002920 Block: 224 Lot: 22 CB: 101

Dept. of Buildings Violations & Compliance		ECB Hearings	
Total Issued = 13	Open (Non-Compliance) = 6	Completed / Defaulted = 13	Pending = 0

ECB Number	Dept. of Buildings Violation Status	Respondent	ECB Hearing Status	Viol Date	Infraction Codes	ECB Penalty $Due
34948174H	OPEN - NO COMPLIANCE RECORDED	SIX SIGMA USA INC GC808001	DEFAULT	08/18/2012	201	$4,000.00
	Severity: CLASS - 2	Inspect Unit: EXCAVATION UNIT				
34948327J	OPEN - NO COMPLIANCE RECORDED	SIX SIGMA USA INC GC808001	DEFAULT	08/18/2012	210	$2,000.00
	Severity: CLASS - 2	Inspect Unit: EXCAVATION UNIT		Viol Type: CONSTRUCTION		
34948325K	OPEN - NO COMPLIANCE RECORDED	SIX SIGMA USA INC GC808001	ADMIT/IN-VIO	08/18/2012	210	$0.00
	Severity: CLASS - 2	Inspect Unit: EXCAVATION UNIT		Viol Type: CONSTRUCTION		
34982661Y	OPEN - NO COMPLIANCE RECORDED	SIX SIGMA USA INC GC808001	IN VIOLATION	10/16/2012	109	$0.00
	Severity: CLASS - 1	Inspect Unit: EXCAVATION UNIT		Viol Type: CONSTRUCTION		
34982662X	OPEN - NO COMPLIANCE RECORDED	SIX SIGMA USA INC GC808001	IN VIOLATION	10/16/2012	2A8	$0.00
	Severity: CLASS - 2	Inspect Unit: EXCAVATION UNIT				
34982663H	OPEN - NO COMPLIANCE RECORDED	SIX SIGMA USA INC GC808001	IN VIOLATION	10/16/2012	208	$0.00
	Severity: CLASS - 2	Inspect Unit: EXCAVATION UNIT				
34042293J	RESOLVED - CERTIFICATE ACCEPTED	IRON STRAW INC	IN VIOLATION	05/31/1990	B48	$0.00
	Severity: HAZARDOUS			Viol Type: CONSTRUCTION		
34047239L	RESOLVED - CERTIFICATE ACCEPTED	LOUIS RUSSEL IRVING	DEFAULT	10/11/1990	B25	$0.00
	Severity: NON-HAZARDOUS			Viol Type: CONSTRUCTION		
34049667R	RESOLVED - CERTIFICATE ACCEPTED	IRVING D. DAVID	DEFAULT	12/06/1990	B25	$0.00
	Severity: NON-HAZARDOUS			Viol Type: CONSTRUCTION		
38064574Z	RESOLVED - CERTIFICATE ACCEPTED	449 WASHINGTON STREET	IN VIOLATION	10/10/1997	BP7	$0.00
	Severity: NON-HAZARDOUS			Viol Type: ELEVATOR		
34999726R	RESOLVED - CURE ACCEPTED	SIX SIGMA USA INC GC808001	CURED/IN-VIO	12/19/2012	207	$0.00
	Severity: CLASS - 2	Inspect Unit: INTERIOR DEMOLITION		Viol Type: CONSTRUCTION		
34948326H	RESOLVED - CERTIFICATE ACCEPTED	SIX SIGMA USA INC GC808001	STIPULATION/IN-VIO	08/18/2012	208	$0.00
	Severity: CLASS - 2	Inspect Unit: EXCAVATION UNIT				
34999725P	RESOLVED - CURE ACCEPTED	SIX SIGMA USA INC GC808001	CURED/IN-VIO	12/19/2012	210	$0.00
	Severity: CLASS - 2	Inspect Unit: INTERIOR DEMOLITION		Viol Type: CONSTRUCTION		

Compliance Status (Open/Resolved) relates to whether a violation has been corrected/uncorrected. Dismissed violations do not require filing a Certificate of Correction.

ECB Hearing Status and the **ECB Penalty Due** are separate from **Compliance Status** (i.e. a penalty is still due in many cases even when the violating condition has been fixed).

Severity Class	
Class 1 - Immediately Hazardous	HAZ - Hazardous - 1968 Building Code
Class 2 - Major	NON-HAZ - Non-hazardous - 1968 Building Code
Class 3 - Lesser	

Violation Status Descriptions	**ECB Hearing Status**
OPEN - No Compliance Recorded	CURED/IN-VIO - In Violation/no hearing required
OPEN - Certificate Pending (Certificate of Correction submitted and under review)	STIPULATION/IN-VIO - No hearing required/in violation
OPEN - Certificate Disapproved (Certificate of Correction disapproved/not in compliance)	IN VIOLATION - Hearing decision completed
RESOLVED - N/A-Dismissed (at ECB - no Certificate of Correction required)	DISMISSED - Hearing decision completed
RESOLVED - Certificate Accepted (Certification of Correction Accepted/in compliance)	DEFAULT - Respondent failed to appear at hearing
RESOLVED - Cure Accepted (early correction accepted - in violation/no penalty or hearing)	PUBLICLY-OWNED - No hearing required
RESOLVED - Compliance Insp/Doc (condition verified by Inspector or by Dept. documentation)	PENDING - Awaiting ECB hearing or decision
	ADMIT/IN-VIO - In Violation/no hearing required
	WRITTEN OFF - Imposed penalty legally uncollectable

There are no NYC Fire Department or NYC Department of Transportation violations against this building.

(w) Unit information: The condominium will consist of (1) building containing (4) residential condominium units of varying size as designated on the floor plans shown in item (z) below.

1. Type and grade of finish material: All units will have White Oak strip wood floors throughout the main living and bedroom areas. Bathrooms will have white Carrera marble tile flooring with white Carrera mosaic wall tile. Units with interior staircases will have white epoxy painted wood treads. Walls and ceilings throughout are generally painted gypsum board.

2. Presence, type and condition of bathroom fixtures as follows: All fixtures are in new condition.

   (i) Unit 1A:

   a. First Floor Powder Room: 5'-11" wide, wall mounted custom lavatory w/ Robern #RC2426D4FP1 medicine cabinet & St. Thomas Creations #1380.200.01 sink; and a floor mounted toilet.

   b. First Floor Bathroom: 4'-0" wide, wall mounted custom lavatory w/ Robern #RC2426D4FP1 medicine cabinet & St. Thomas Creations #1380.200.01 sink; a floor mounted toilet; and a ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead.

   c. Second Floor Bathroom: 5'-5" wide, wall mounted custom lavatory w/ (2) Robern #RC2026D4FP1 medicine cabinets & (2) St. Thomas Creations

#1380.200.01 sinks; a floor mounted toilet; ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead; and a bathtub.

d. Second Floor Master Bathroom: 6'-1" wide, wall mounted custom lavatory w/ (2) Robern #RC2026D4FP1 medicine cabinets & (2) St. Thomas Creations #1380.200.01 sinks; a floor mounted toilet; ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead; and a bathtub.

(ii) Unit 2A:

a. Third Floor Bathroom: 3'-0" wide, wall mounted custom lavatory w/ Robern #RC2426D4FP1 medicine cabinet & St. Thomas Creations #1380.200.01 sink; a floor mounted toilet; and a ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead.

b. Third Floor Master Bathroom: 5'-5" wide, wall mounted custom lavatory w/ (2) Robern #RC2026D4FP1 medicine cabinets & (2) St. Thomas Creations #1380.200.01 sinks; a floor mounted toilet; ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead; and a bathtub.

(iii) Unit 3A:

a. Fourth Floor Bathroom: 3'-0" wide, wall mounted custom lavatory w/ Robern #RC2426D4FP1 medicine cabinet & St. Thomas Creations #1380.200.01 sink; a floor mounted toilet; and a ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead.

b. Fourth Floor Master Bathroom: 5'-5" wide, wall mounted custom lavatory w/ (2) Robern #RC2026D4FP1 medicine cabinets & (2) St. Thomas Creations #1380.200.01 sinks; a floor mounted toilet; ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead; and a bathtub.

(iv) Unit 4A:

a. Fifth Floor Bathroom: 5'-0" wide, wall mounted custom lavatory w/ Robern #RC2426D4FP1 medicine cabinet & St. Thomas Creations #1380.200.01 sink; a floor mounted toilet; and a ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead.

b. Fifth Floor Master Bathroom: 5'-11" wide, wall mounted custom lavatory w/ (2) Robern #RC2026D4FP1 medicine cabinets & (2) St. Thomas Creations #1380.200.01 sinks; a floor mounted toilet; ½" thick, clear, frameless, tempered glass shower door and enclosure w/ hand shower and showerhead; and a bathtub.

c. Sixth Floor Powder Room: 5'-11" wide, wall mounted custom lavatory w/ Robern #RC2426D4FP1 medicine cabinet & St. Thomas Creations #1380.200.01 sink; and a floor mounted toilet.

d. Seventh Level Mezzanine: Outdoor Shower and Sink at East Terrace.

3. Presence, type and condition of kitchen and laundry equipment: Each condo unit will have new kitchen appliances and laundry equipment as shown in the following schedules.

Unit 1A

APPLIANCE SCHEDULE

ITEM	MANUF.	MODEL #	DESCRIPTIONS	FINISH	REMARKS
REFRIGERATOR	VIKING	RDDOE306SS	42" Side-by-Side Refrigerator/Freezer W 42" x D 28-1/2" x H 84-1/16"	Stainless Steel	115 VAC/60 Hz; 15 amp
WINE CELLAR	VIKING	VCWB301RSS	30" Full-Height Wine Cellar W 30" x D 27" x H 84-1/16"	Stainless Steel	115 volt, 60Hz; 15 amp
DOUBLE OVEN	VIKING	RDOOE306SS	30" Double Electric Oven W 29 3/4" x D 25 3/16" x H 51 3/8"	Stainless Steel	240VAC, 50-amp
DISHWASHER	VIKING	RDDB201SS	24" Dishwasher W 23-7/8" x D 24" x H 34"	Stainless Steel	120VAC/60Hz; 15 amps
MICROWAVE OVEN	VIKING	VMOC206SS	Custom Convection Microwave Oven W 24-5/8" x D 15" x H 14-7/8"	Stainless Steel	120VAC/60Hz; 13 amps
WASHER	LG	WM8000HVA	5.1 cu.ft. Washer with Steam™ W 29" X D 32 3/10" X H 40 4/5"	Graphite Steel / White	120V, 10 Amps
DRYER	LG	DLEX8000V	9.0 cu.ft. Dryer with Steam™ W 29" X D 32 3/10" X H 40 4/5"	Graphite Steel / White	240V, 30 Amps
GAS COOKTOP	VIKING	RDGSU260	36" GAS COOKTOP W 36 3/4" X D 21" X H 4 3/8"		115 V 50/60 Hz; 1.0amps

Unit 2A

APPLIANCE SCHEDULE

ITEM	MANUF.	MODEL #	DESCRIPTIONS	FINISH	REMARKS
REFRIGERATOR	VIKING	VCBB536IRSS	36" Bottom-Mount Refrigerator/Freezer W 36" X D 28-1/2" X H 84-1/16"	Stainless Steel	115 VAC/60 Hz; 15 amp
WINE CELLAR	VIKING	VWCU24GRSS	24" Undercounter Wine Cellar W 23-7/8" X D 25-9/16" X H 34-1/2"	Stainless Steel	115 volt, 60Hz; 15 amp
DOUBLE OVEN	VIKING	RDOOE306SS	30" Double Electric Oven W 29 3/4" x D 25 3/16" x H 51 3/8"	Stainless Steel	240VAC, 50-amp
DISHWASHER	VIKING	RDDB201SS	24" Dishwasher W 23-7/8" x D 24" x H 34"	Stainless Steel	120VAC/60Hz; 15 amps
MICROWAVE OVEN	VIKING	VMOC206SS	Custom Convection Microwave Oven W 24-5/8" x D 15" x H 14-7/8"	Stainless Steel	120VAC/60Hz; 13 amps
WASHER	LG	WM2655HVA	3.6 cu.ft. SteamWasher™ with ColdWash W 27" x D 29 3/4" x H 38 11/16"	Stainless Steel	120V, 10 Amps
DRYER	LG	DLEX2555V	7.3 cu.ft. SteamDryer™ W 27" x D 29 3/4" x H 38 11/16"	Stainless Steel	240V, 30 Amps
GAS COOKTOP	VIKING	RDGSU260	36" GAS COOKTOP W 36 3/4" X D 21" X H 4 3/8"		115 V 50/60 Hz; 1.0amps

Unit 3A

APPLIANCE SCHEDULE

ITEM	MANUF.	MODEL #	DESCRIPTIONS	FINISH	REMARKS
Refrigerator/Freezer	VIKING	VCBB5361RSS	36" Bottom-Mount Refrigerator/Freezer W 36" X D 26-1/2" X H 84-1/16"	Stainless Steel	115 VAC/60 Hz; 15 amp
Wine Cellar	VIKING	VWCI1240GRSS	24" Undercounter Wine Cellar W 23-7/8" X D 25-9/16" X H 34-1/2"	Stainless Steel	115 volt, 60Hz; 15 amp
DOUBLE OVEN	VIKING	RDDOE30655	30" Double Electric Oven W 29 3/4" x D 25 3/16" x H 51 3/8"	Stainless Steel	240VAC, 50-amp
DISHWASHER	VIKING	RDDB2015S	24" Dishwasher W 23-7/8" x D 24" x H 34"	Stainless Steel	120VAC/60Hz; 15 amps
MICROWAVE OVEN	VIKING	VMOC2065S	Custom Convection Microwave Oven W 24-5/8" x D 19" x H 14-7/8"	Stainless Steel	120VAC/60Hz; 13 amps
GAS COOKTOP	VIKING	RDGSU260	36" GAS COOKTOP W 36 3/4" X D 21" X H 4 3/8"		115 V 50/60 Hz; 1.0amps

WASHER	LG	WM2655HVA	3.6 cu.ft. SteamWasher™ with ColdWash W 27" x D 29 3/4" x H 38 11/16"	Stainless Steel	120V, 10 Amps
DRYER	LG	DLEX2555V	7.3 cu.ft. SteamDryer™ W 27" x D 29 3/4" x H 38 11/16"	Stainless Steel	240V, 30 Amps

Unit 4A

APPLIANCE SCHEDULE

ITEM	MANUF.	MODEL #	DESCRIPTIONS	FINISH	REMARKS
REFRIGERATOR	VIKING	RDDOE36655	42" Side-by-Side Refrigerator/Freezer W 42" x D 26-1/2" x H 84-1/16"	Stainless Steel	115 VAC/60 Hz; 15 amp
WINE CELLAR	VIKING	VCWB3015RSS	30" Full-Height Wine Cellar W 30" x D 27" x H 84-1/16"	Stainless Steel	115 volt, 60Hz; 15 amp
DOUBLE OVEN	VIKING	RDDOE30655	30" Double Electric Oven W 29 3/4" x D 25 3/16" x H 51 3/8"	Stainless Steel	240VAC, 50-amp
DISHWASHER	VIKING	RDDB2015S	24" Dishwasher W 23-7/8" x D 24" x H 34"	Stainless Steel	120VAC/60Hz; 15 amps
MICROWAVE OVEN	VIKING	VMOC2065S	Custom Convection Microwave Oven W 24-5/8" x D 19" x H 14-7/8"	Stainless Steel	120VAC/60Hz; 13 amps
WASHER	LG	WM8000HVA	5.1 cu.ft. Washer with Steam™ W 29" X D 32 3/10" X H 40 4/5"	Graphite Steel / White	120V, 10 Amps
DRYER	LG	DLEX8000V	9.0 cu. ft. Dryer with Steam™ W 29" X D 32 3/10" X H 40 4/5"	Graphite Steel / White	240V, 30 Amps
GAS COOKTOP	VIKING	RDGSU260	36" GAS COOKTOP W 36 3/4" X D 21" X H 4 3/8"		115 V 50/60 Hz; 1.0amps

(x) Finish schedule of spaces other than units: The internal egress stairs and landings will have concrete floors and stair treads and painted concrete masonry unit walls. The building lobby will have polished concrete floors and white back-painted glass panels on the walls. The Cellar will have unfinished concrete slab floors with unfinished concrete masonry unit walls.

(y) Safety and warning devices: Hard-wired, combination smoke and carbon monoxide detectors are provided in each condominium unit as required by code. Ionization-type elevator smoke detectors will be located at each floor. The building is fully sprinklered per NFPA 13R. Illuminated emergency exit signs and emergency lighting (w/ battery back-up) will be provided in egress stairways and public lobby areas. The fire alarm panel will be in the Cellar while a remote annunciator panel will be in the First Floor lobby. A multi-tone horn will be located in the Cellar.

The unit owner is responsible for keeping the safety warning devices operable.

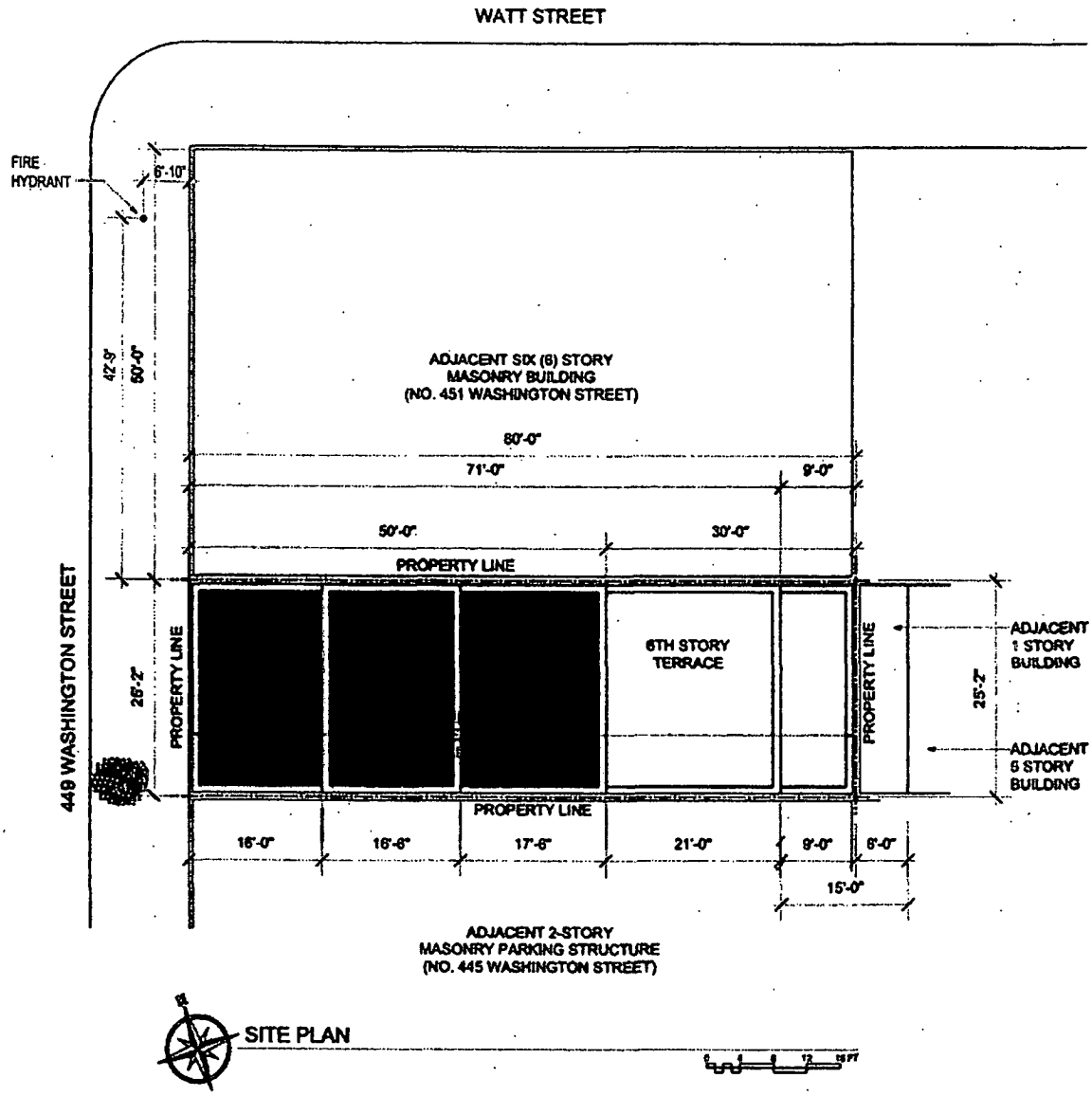
(z) Corrosive Drywall Materials: Corrosive drywall materials will not be used in this building.

(aa) Documents to be Transferred to the Condominium Management: The following documents are to be transmitted to the condominium management upon transfer of control, as applicable;

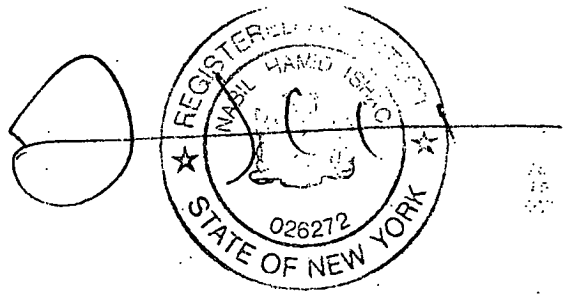
1. Operations & Maintenance manuals for mechanical equipment;
2. Electronic System manual;
3. Re-commissioning manual;
4. Equipment warranties;
5. Roof warranty;
6. Major equipment start-up sheets;
7. Control System As-Built;
8. Original Test & Balance Report for HVAC System;
9. Post-construction In-Door Air Quality Report;
10. Post-Construction Asbestos Report;
11. Final As-Built drawings as maintained during construction i.e., structural, mechanical, electrical, plumbing, approved shop drawings.

(bb) Additional information:

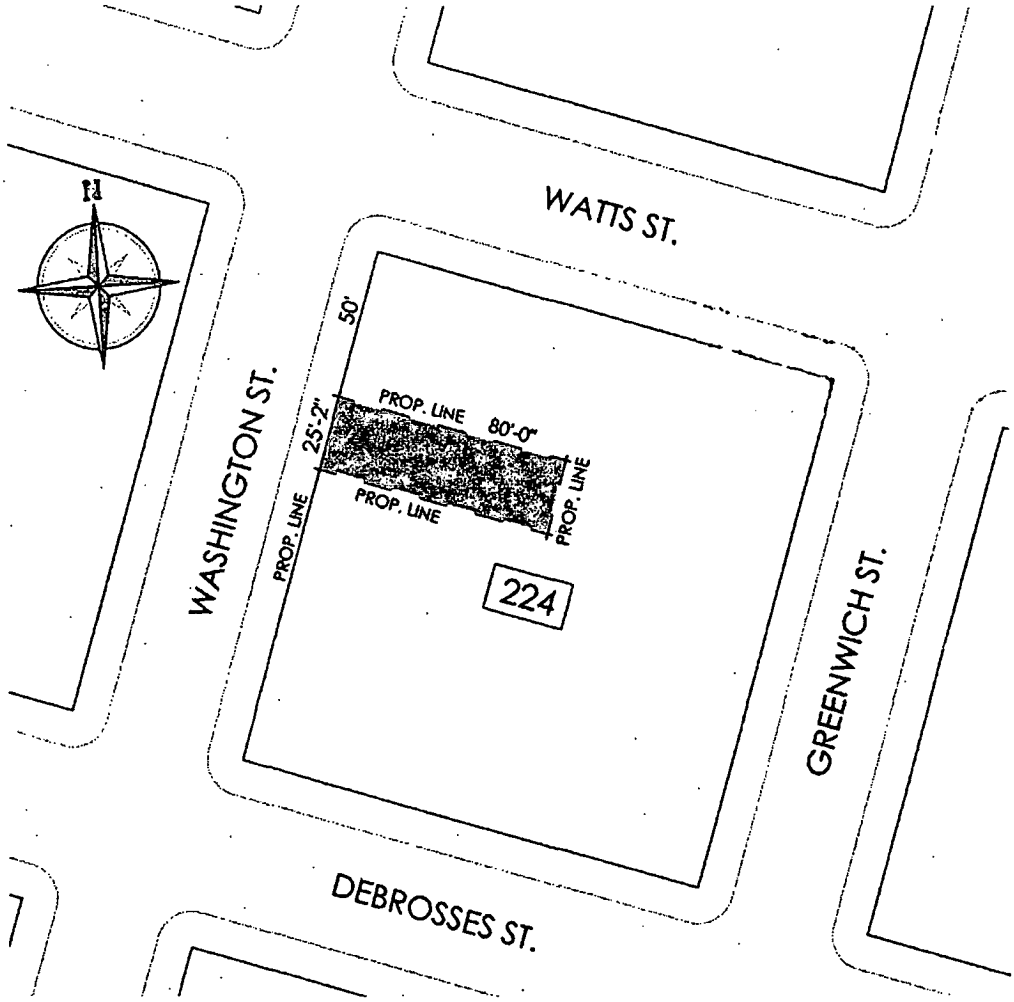
1. Site Plan:



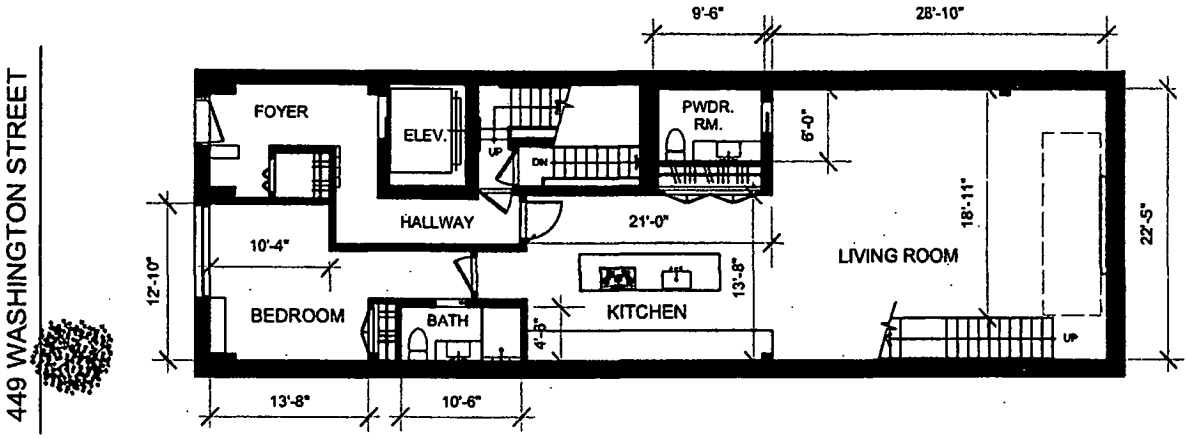
SITE PLAN



2. Area Map:


WATTS ST.
WASHINGTON ST.
GREENWICH ST.
DEBROSSES ST.
50'
25'-2"
PROP. LINE
80'-0"
PROP. LINE
PROP. LINE
PROP. LINE
224

3. Unit Floor Plans:

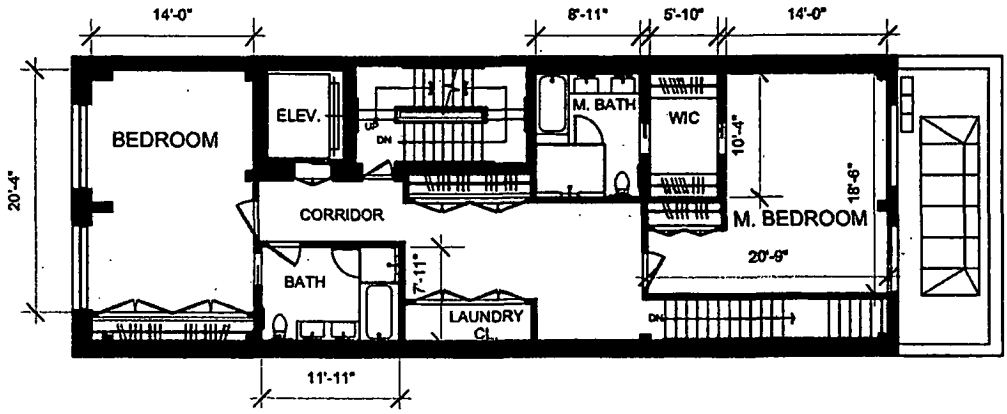


N

UNIT 1A - FIRST FLOOR PLAN

Int. Area: 1,587 sqf

0 4 8 12 16 FT

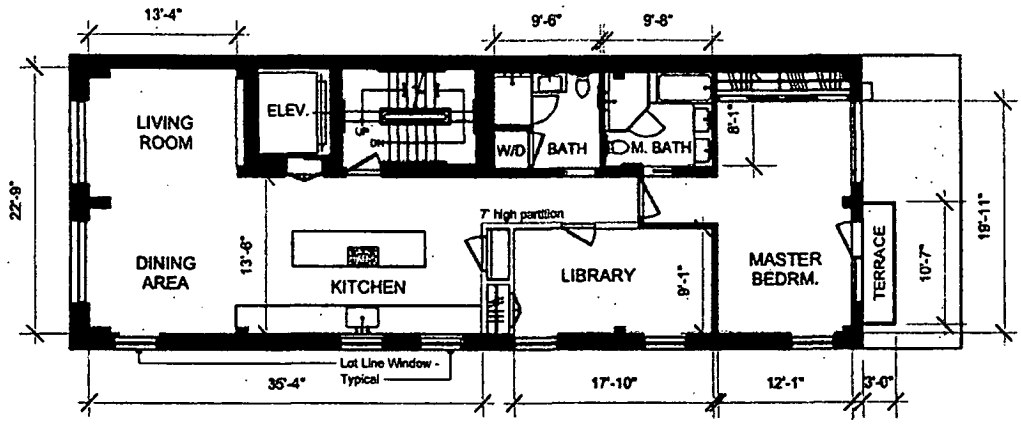


N

UNIT 1A - SECOND FLOOR PLAN

Int. Area: 1,649 sqf

0 4 8 12 16 FT

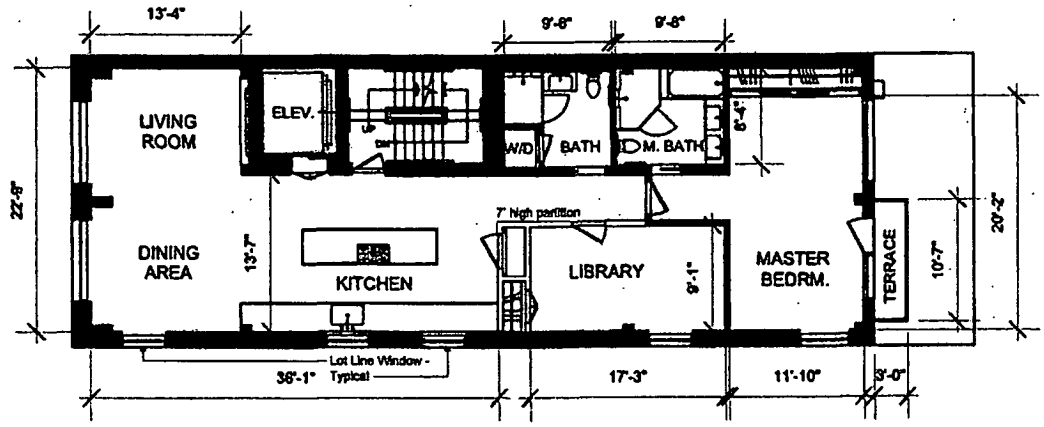


N

UNIT 2A - THIRD FLOOR PLAN

Int. Area: 1,665 sqf
Terr. Area: 32 sqf

0 4 8 12 16FT

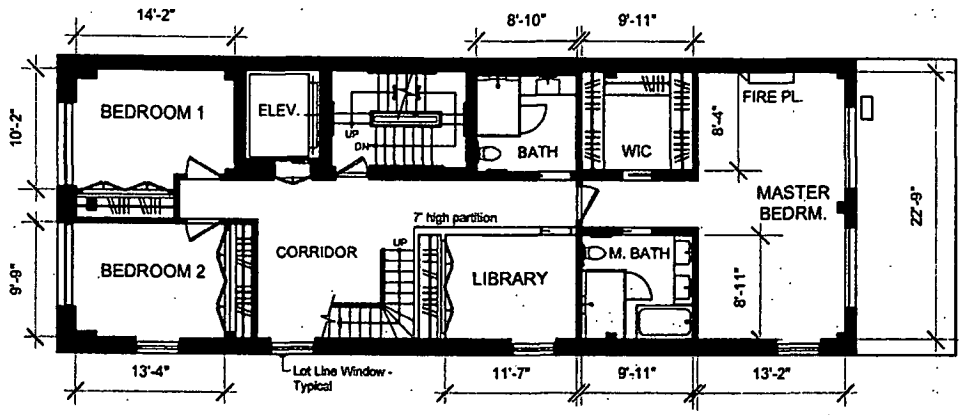


N

UNIT 3A - FOURTH FLOOR PLAN

Int. Area: 1,666 sqf
Terr. Area: 32 sqf

0 4 8 12 16FT

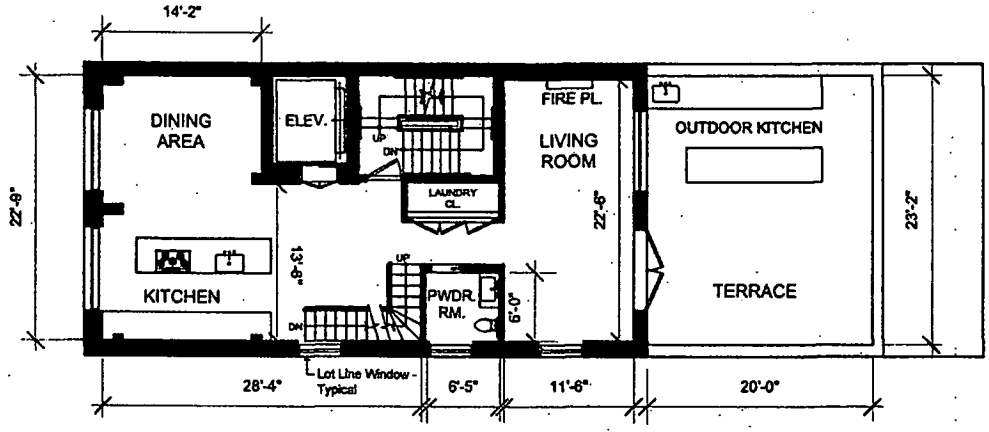


N

UNIT 4A - FIFTH FLOOR PLAN

Int. Area: 1,669 sqf

0 4 8 12 16 FT

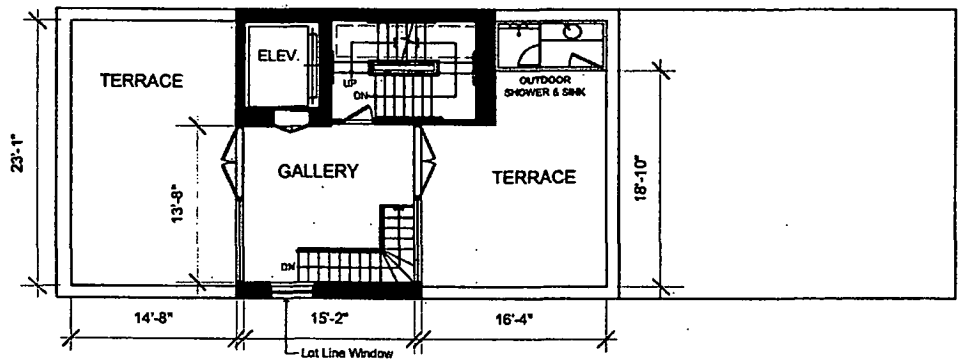


N

UNIT 4A - SIXTH FLOOR PLAN

Int. Area: 1,139 sqf
Terr. Area: 528sqf

0 4 8 12 16 FT

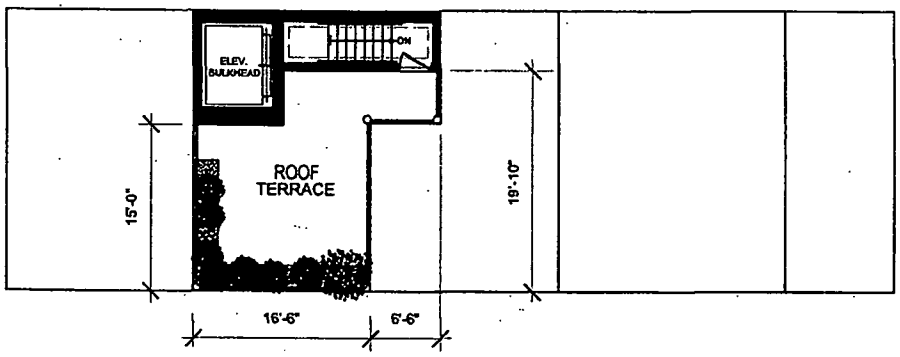


N

UNIT 4A - MEZZANINE (7TH) LEVEL PLAN

Int. Area: 349 sqf
Terr. Area: 778 sqf

0 4 8 12 16 FT

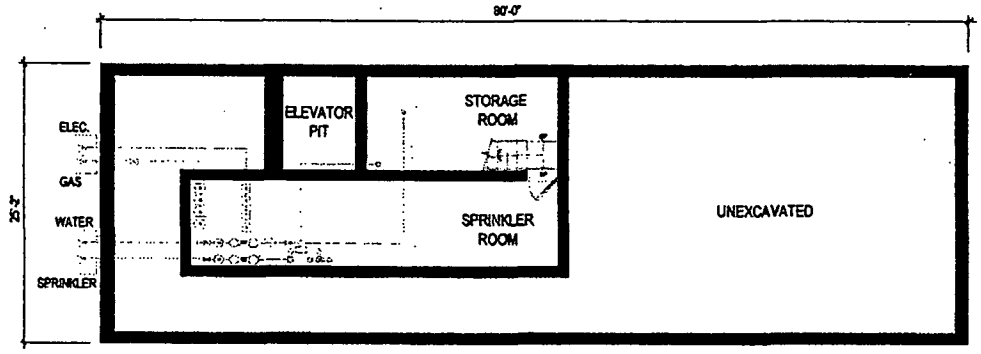


ROOF LEVEL - TERRACE PLAN

Int. Area: 95 sqf
Terr. Area: 317 sqf

0 4 8 12 16 FT

3a. Cellar Floor Plan

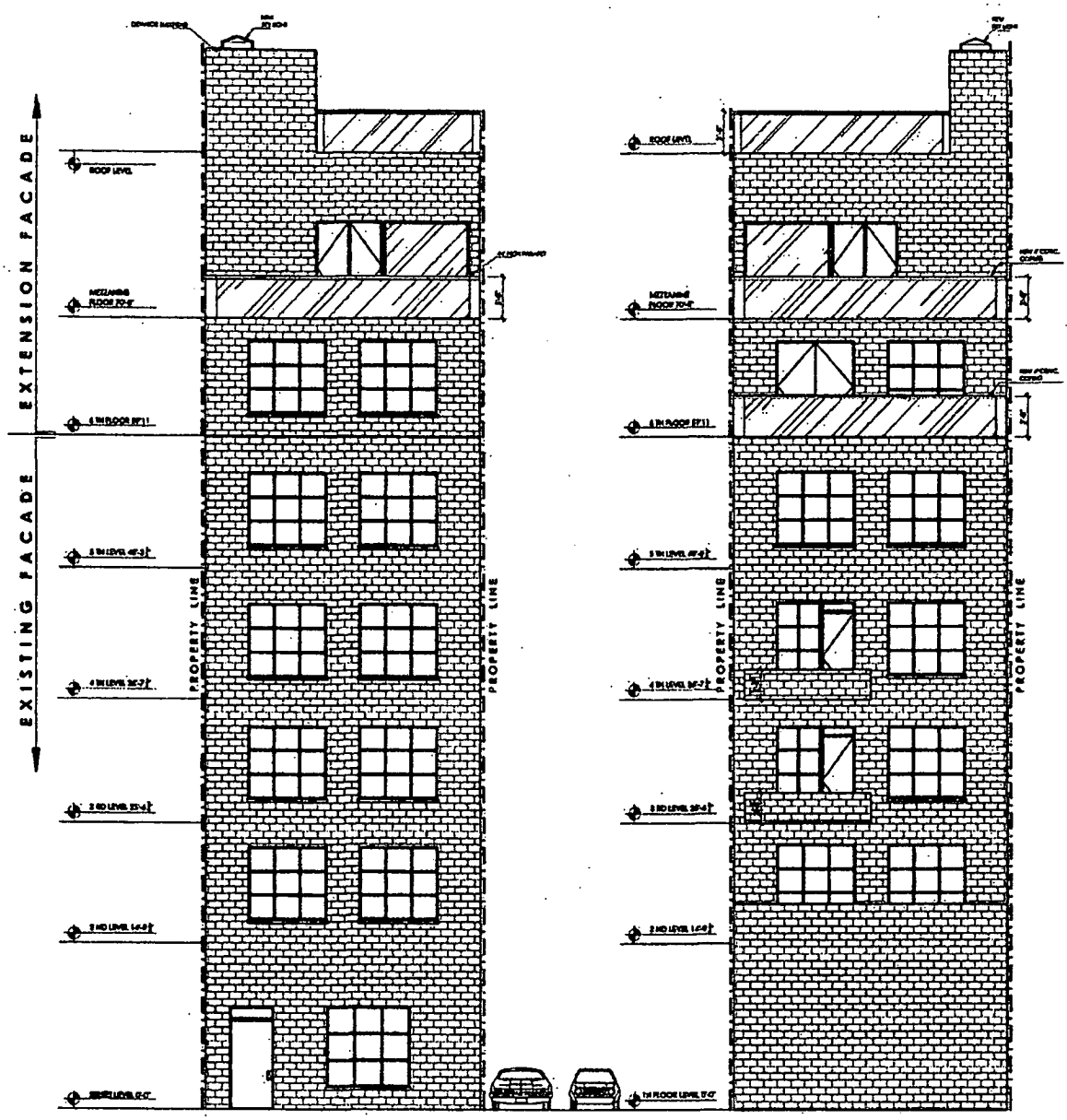


CELLAR PLAN

Int. Area: 260 sqf

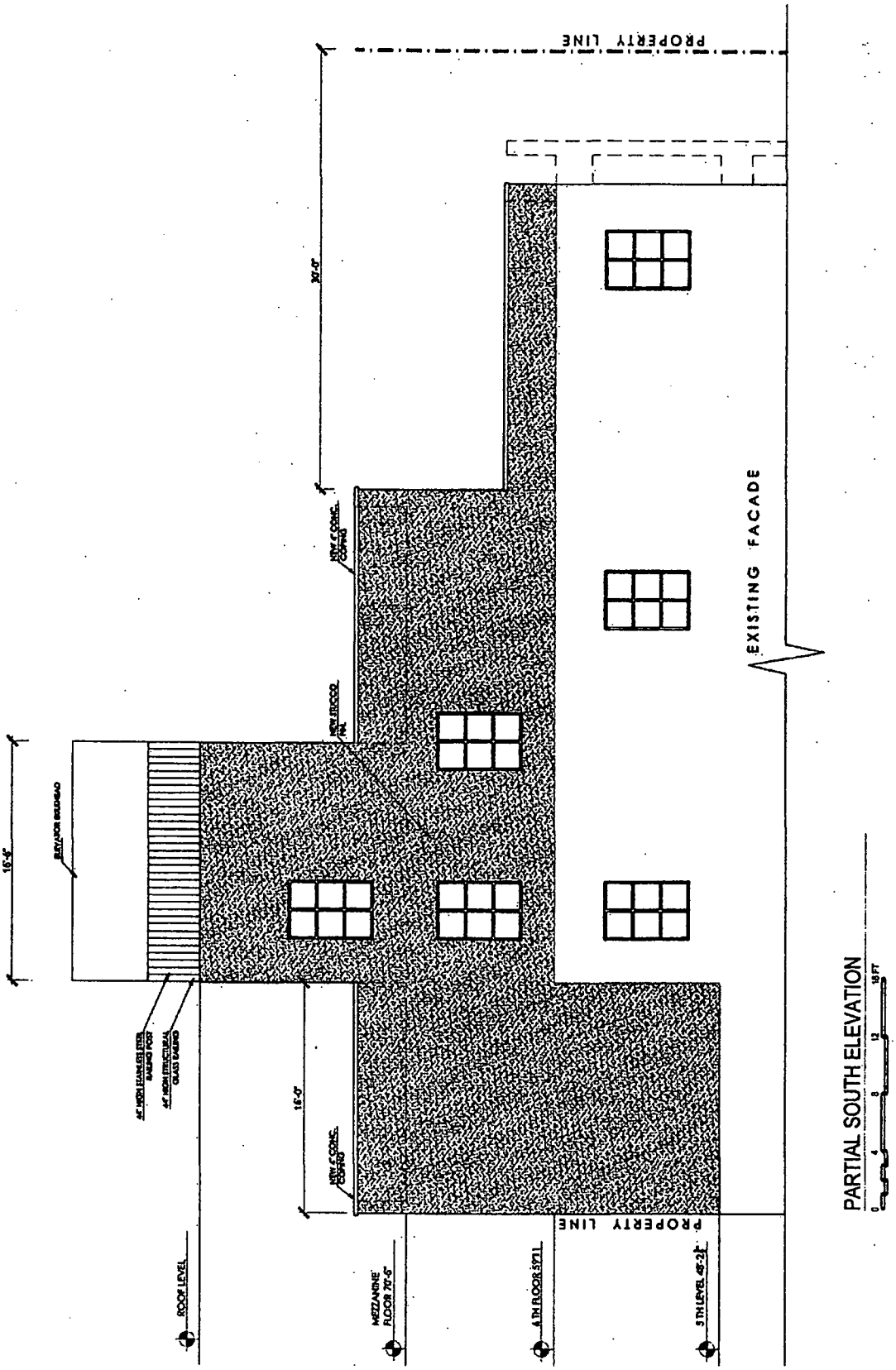
0 4 8 12 16 FT

4. Elevations



WEST (FRONT) ELEVATION

EAST (REAR) ELEVATION


PROPERTY LINE
EXISTING FACADE
PROPERTY LINE
ROOF LEVEL
MEZZANINE FLOOR 70'-6"
4TH FLOOR 57'-1"
3RD LEVEL 45'-2"
PARTIAL SOUTH ELEVATION

5. Floor to ceiling heights:

Cellar: 7'-1"

Unit 1A - First Floor: 13' - 9"
Unit 1A - Second Floor: 9' -11"

Unit 2A - Third Floor: 10' - 0"

Unit 3A - Fourth Floor: 9' - 4"

Unit 4A - Fifth Floor: 9' - 1"
Unit 4A - Sixth Floor: 9' - 0"
Unit 4A - Mezzanine: 12' - 11"

6. Approximate total area of each unit:

Unit 1A

1st Floor: Interior Area = 1,587 SF; Exterior Area = Not Applicable
2nd Floor: Interior Area = 1,649 SF; Exterior Area = Not Applicable

Unit 2A

3rd Floor: Interior Area = 1,665 SF; Exterior Area = 32 SF

Unit 3A

4th Floor: Interior Area = 1,666 SF; Exterior Area = 32 SF

Unit 4A

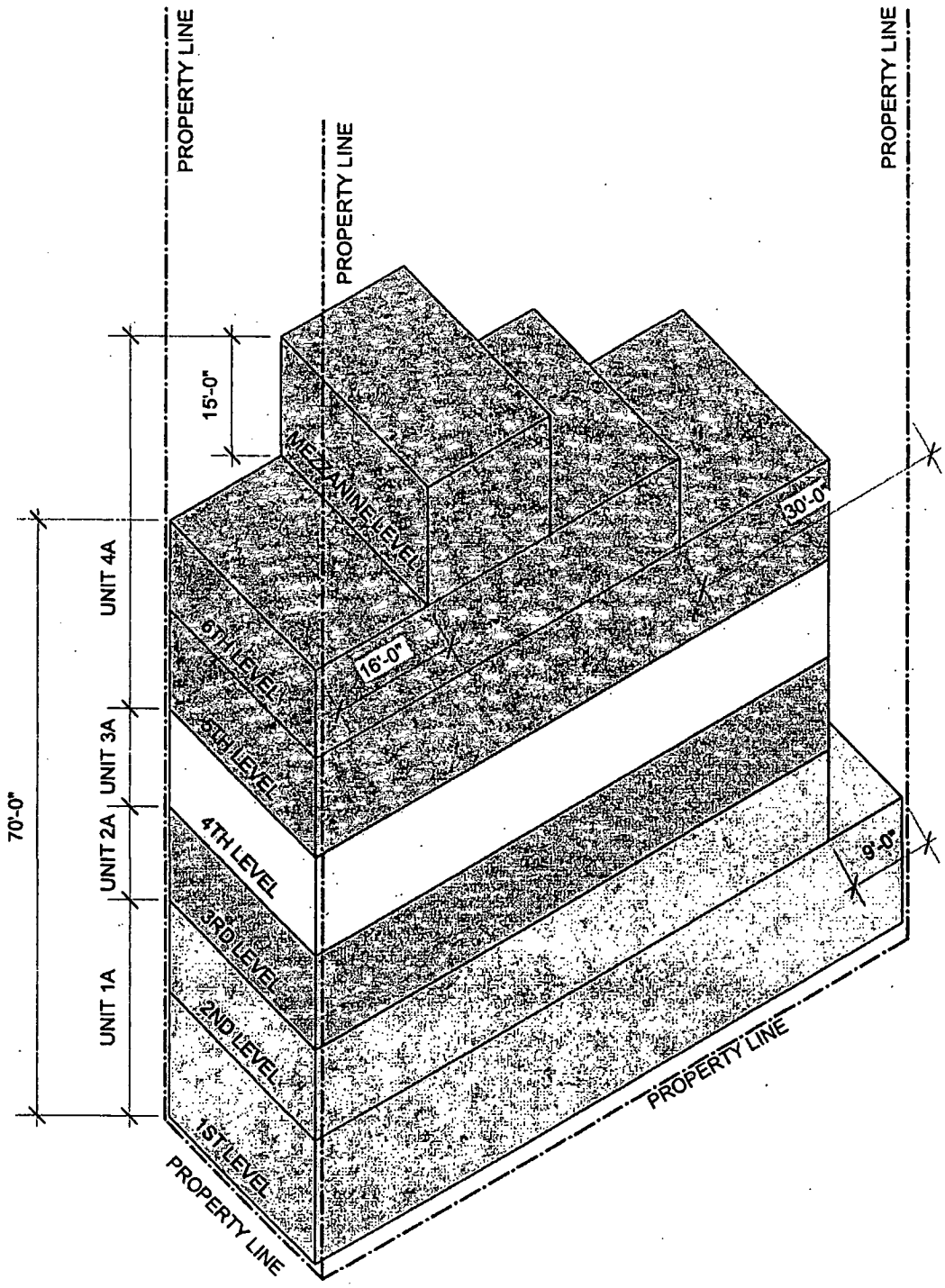
5th Floor: Interior Area = 1,669 SF; Exterior Area = Not Applicable

6th Floor: Interior Area = 1,139 SF; Exterior Area = 528 SF

7th Floor: Interior Area = 349 SF; Exterior Area = 778 SF

Roof: Interior Area = 95 SF; Exterior Area = 317 SF

7. Building axonometric indicating unit boundaries:



UNIT RELATIONSHIP AXONOMETRIC

(cc) Concealed Conditions: As the building is undergoing a complete renovation, various portions and elements of the building were in a state of construction or were not visually accessible. However, all areas that were observable at the time of the site visit, did not present any conditions that are considered to be deficient or defective.

(dd) Further Development:

1. Additional Units: The current renovation project includes the addition of a 6th floor and mezzanine level in accordance with the building's reconfiguration to accommodate (4) residential condominium units. Refer to NYC DOB approved filing plans for a detailed description of the scope-of-work involved.

2. Additional Floors added on top of an existing structure:

    a. Structural capacity for additional loads: The existing building is being reinforced with new structural steel columns and beams to support the additional loads of the added floors. The new steel columns will extend down to rest on new concrete foundations.

    b. Resulting building height: The resulting building height is 6 stories plus a 7th level penthouse mezzanine, which is set back from the street façade. The height to the roof of the penthouse mezzanine is approximately 85'-0". The elevator/stair bulkhead projects approximately 9'-6" above the penthouse roof.

3. Affected building components: The existing egress stairs, and elevator and stair enclosure will be extended upward to form a new elevator/stair bulkhead. A portion of the existing exterior rear wall is being demolished to accommodate a sky-lit roof at the rear of the First Floor condo unit.

4. Affect of additional structure on building systems: As mechanical, electrical, plumbing, fire-protection and elevator systems are new or upgraded to address the additional structure and interior renovations, the overall property will be adequately served by these building services.

5. Facilities: All 4 condo units will share the single passenger elevator. A bank of individual unit mailboxes is located in the Entry Foyer.

6. The property is not being occupied during the renovation project and does not affect any tenants.

(ee) Asbestos:

1. There does not appear to be any asbestos containing materials on the subject property.

(ff) Lead-based paint:

1. There does not appear to be any lead-based paint on the subject property.

(gg) Capital Improvements and Replacements: As the property is in the process of a complete renovation, all building systems and most elements will be either new or newly renovated and should not require significant improvements or replacements with 3 years of the date of this report. Existing exterior walls may be subject to maintenance as necessary.

(hh) Work Purchasers may perform without a permit: Other than interior painting or normal repair or replacement of fixtures and appliances, all work to the units requires filing with the New York City Department of Buildings and a permit to be issued.

(ii) Work Purchasers may perform with a permit, "as-of-right": It is not possible to list every conceivable item of work or endeavor a purchaser may wish to perform that would be permissible with a permit from the Department of Buildings, however, the following is a list of the most commonly anticipated work items, all of which, assuming the proposed work complies with all applicable laws and regulations, would be granted a permit:

1. Interior renovations, including new arrangements of rooms.
2. Kitchen installation or renovation.
3. Bathroom renovations or new bathrooms.
4. New air-conditioning systems
5. Reconfiguration of sprinkler systems.
6. Installation of protective decking on the roof terraces.
7. Installation of planters on the terraces.

All such work would require approval by the Board of Managers of the condominium and their architect/engineer.

(jj) The Condominium will have unlimited access to all areas of the roof or cellar for the purpose of making inspections and/or repairs.

(kk) Repair or replacement of common elements: Unit owners are responsible for the maintenance, repair, and replacement of their respective terraces/balconies. The rooftops of the stair/elevator bulkhead and the rear roof above the 1st floor unit, as well as the common rooftop terrace are common building elements. The maintenance, repair and replacement of these surfaces are shared by the Condominium.

(ll) Regulations regarding new work: Upon establishment, the Board of Managers of the Condominium will draft and adopt Building Rules governing work performed by unit owners. These Building rules will specify permissible work hours, building holidays on which work may not be performed, rules for handling construction debris and materials, measures to be taken to prevent compromising building security during construction, the interruption of services during construction, insurance requirements for unit owners and contractors during construction, restrictions on methods of construction or equipment that may be used, requirements for security deposits, and other rules and regulations. These rules and

regulations will form an Alteration Agreement that must be signed by the Unit Owner and approved by the Building Managers of the Condominium.

(mm) Estimate of Common Costs for Utilities:

1. Sewer and Water: 68,705.9 cubic feet (513,920 gallons) per year @ $8.78 per 100 cuft equals $6,032 per year.

2. Electricity:

   a. Power for intercom and elevator: 28,188 kilowatt hours @ $0.20 per kWh equals $5,638 per year.

   b. Power for common area lighting: 100 watts for 10 hours per day (exterior lighting), 965 watts for 24 hours per day (at Entry Foyer, hallway, and egress stairs), 184 watts for 4 hours per day (miscellaneous Cellar areas); total equals 1,363 kWh @ $0.20 per kWh which equals $273 per year.

3. Individual Unit Utility Costs:

   a. Unit 1A (3 Bedroom apartment):

      i. Electric Costs per year — 28,498.98 kWh @ $0.20 per kWh = $5,699.80

      ii. Gas Costs per year — 122 Therms @ $1.50 per Therm = $ 182.63

   b. Unit 2A (1 Bedroom apartment):

      i. Electric Costs per year — 15,425.31 kWh @ $0.20 per kWh = $3,085.06

      ii. Gas Costs per year — 46 Therms @ $1.50 per Therm = $ 68.49

   c. Unit 3A (1 Bedroom apartment):

      i. Electric Costs per year — 15,425.31 kWh @ $0.20 per kWh = $3,085.06

      ii. Gas Costs per year — 46 Therms @ $1.50 per Therm = $ 68.49

   d. Unit 4A (3 Bedroom apartment):

      i. Electric Costs per year — 26,598.07 kWh @ $0.20 per kWh = $5,319.61

      ii. Gas Costs per year — 122 Therms @ $1.50 per Therm = $ 182.63

The above is based on the following assumptions:

1. Masonry walls, insulated roof and double-glazed thermal windows.
2. 11 person (1.5 people per 1 bedroom, 4 people per 3 bedroom) occupancy.
3. Water consumption at 80 gallons per day, per person, and 10% added for miscellaneous usage.

4. Heating provided per New York City Code minimum requirements of 68 degree F with outside air temperature 5 degree F during day usage and reduced heating during evening hours.

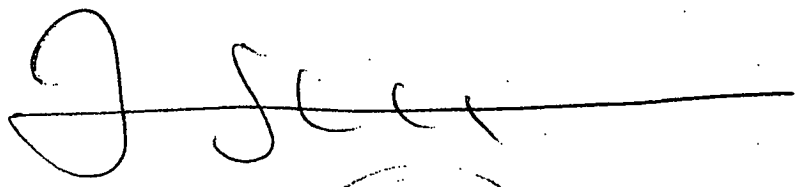
5. Energy efficient lamps are used throughout.

The above figures can vary substantially depending upon actual equipment usage hours, thermostatic settings, and proper maintenance of equipment. No inflation factor or fuel cost adjustments have been included. The figures provided are not intended to be a guarantee. This information is provided by Abraham Joselow, P.E., P.C. Consulting Engineers in a report dated November 4th, 2012.

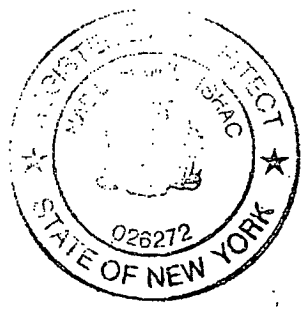
Affidavit:

I, Nabil Ishac; affirm that, to the best of my knowledge, belief and professional judgment, the information stated above is true and correct.

Sincerely,



Nabil Ishac



THIS PAGE INTENTIONALLY LEFT BLANK

DECLARATION

Establishing a Plan for Condominium Ownership of Premises located at 449 Washington Street, County of New York, City and State of New York Pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: WASHINGTON CONDOMINIUM

SPONSOR /DECLARANT: 449 WASHINGTON LLC
415 Washington Street, Suite 1B
New York, New York 10013

DATE OF DECLARATION: _____

The land affected by the within instrument lies in Block 224, Lot 23 on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York.

F.K.A. Old Lot Number 23
N.K.A. New Lot Numbers ____ - ____

Record and Return:

STEMPEL BENNETT CLAMAN & HOCHBERG, P.C.
Attorneys for Sponsor
675 Third Avenue - 31st Floor
New York, New York 10017

THIS PAGE INTENTIONALLY LEFT BLANK

Declaration Establishing a Plan for Condominium Ownership of Premises to be known as Washington Condominium, located at 449 Washington Street, Borough of Manhattan, County of New York, City and State of New York, Pursuant to Article 9-B of Real Property Law of the State of New York.

449 Washington LLC, a limited liability company organized under the laws of the State of New York, with an office at 415 Washington Street, New York, New York 10013, hereinafter referred to as "The Sponsor," does hereby declare:

1. **Definitions.** All capitalized terms used in this Declaration (hereinafter, the "Declaration") that are not defined herein shall have the meanings set forth in Schedule C to this Declaration. Each of the capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

2. **Submission of Property.** Sponsor hereby submits the land hereinafter described, together with the building and improvements thereon erected (the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York.

3. **Area and Location of Land.** The land ("Land") has an area of approximately 2000 square feet and consists of all that certain tract, plot, piece and parcel of land situate, lying and being in the County of New York, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Sponsor in fee simple absolute.

4. **Name of Condominium.** The Condominium shall be known as Washington Condominium.

5. **Description of Building.** The existing Building is of brick masonry, bearing wall construction from floors one through five. The new sixth floor and seventh floor mezzanine are of concrete masonry unit, bearing wall construction with a stucco exterior finish. The front façade is braced with hollow square steel columns.

   The cellar level is to contain utility equipment for electrical, gas, domestic water and fire protection systems.

   The first floor is to contain an entrance foyer, elevator and common stairway. It also contains the lower level of the Unit #1 duplex.

   The second floor is to contain the upper level of the Unit #1 duplex, elevator and common stairway.

   The third floor is to contain the common stairway, elevator and Unit #2 which is a floor thru simplex, having a balcony.

The fourth floor is to contain the common stairway, elevator and Unit #3, which is a floor thru simplex having a balcony.

The fifth floor is to contain the common stairway, elevator and the lowest level of Unit #4 triplex.

The sixth floor is to contain the common stairway, elevator and middle level of Unit #4 triplex, which has a terrace on this level.

The seventh floor (mezzanine) is to contain the common stairway, elevator and top level of Unit #4 triplex, which has two terraces on this level.

There is one elevator in the Building. There are no recreational facilities in the Building and no on site parking facilities.

The heating is provided by split package HVAC systems (comprised of exterior heat pump condensing units and interior ducted air handling units). Each Condominium Unit is provided with its own dedicated heat pumps, which are either wall-mounted or roof top condensing units. The equipment is entirely electrical. Accordingly, each Condominium unit will be individually metered for this use.

Domestic hot water in each Condominium Unit is heated by an in-unit electric domestic water heater.

Gas for cooking will be individually metered for each Condominium Unit.

6. **The Units.** Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: unit designation; tax lot number; approximate area; location; number of rooms and baths; the portion of the Common Elements, including Limited Common Elements, if any, to which the Unit has immediate access and the percentage of interest in the Common Elements. The Floor Plans of the Building (the "Floor Plans"), certified by _____, Registered Architect, are intended to be filed in the New York County Office of the Register of the City of New York, simultaneously with the recording of this Declaration. The location of each Unit is more clearly designated on the Floor Plans and reference should be made thereto for the statement of the location of each Unit. The square foot areas of the Units are approximate.

For measurement purposes the approximate square foot area of each Residential Unit is measured horizontally on each of one or more floors from the exterior side of the glass or the exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Element or Limited Common

Elements or to the opposite exterior side of the glass or the exterior walls of the Building, as the case may be. Columns and mechanical pipes (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

Doors, windows and skylights which open from or form the border of a Unit shall be deemed part of the Unit.

Any mechanical equipment located outside a Unit which only services a particular Unit shall be a fixture which is the personal property of the Unit Owner of the Unit it services. Such Unit Owner shall be responsible for the cost of any maintenance, repair or replacement of such mechanical equipment, not provided for in a service contract which also covers all Units.

7. **Common Elements.** The Common Elements of the Condominium consist of the entire Property, including all parts of the Building and improvements thereon other than the Units or unless otherwise specified. Common Elements are comprised of General Common Elements and Limited Common Elements. Limited Common Elements include a sub-category of Exclusive Limited Common Elements. They include, without limitation, the following:

A. **General Common Elements**:

(1) The land on which the Building is physically erected and any other land within the boundaries of the Property to the extent such land is not expressly included as part of a Limited Common Element;

(2) All foundations, columns, girders, beams, supports, bearing walls; the exterior walls of the Building, or, where applicable, those portions of the exterior walls beyond the interior face of the exterior wall; those portions of the walls and partitions dividing the Units from corridors, lobby, elevator shaft and stairs located beyond the block, brick or concrete work of the interior walls of the Building separating one Unit from another Unit, or from the corridors, elevator shaft, vestibule or stairs not within a Unit; concrete floor slabs and metal decking; any support beams, and joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached, roof bulkheads; skylights which do not open from or form the border of a Unit; water towers and tanks, if any; roofs, excluding the roof terraces allocated to specific Units; corridors, halls, stairs and stairway areas located beyond the unexposed face of

the studs or block, brick or concrete work of the walls enclosing a Unit; any storage and utility areas which are not part of a Unit or not otherwise specifically designated as a Limited Common Element, located beyond the block, brick or concrete work enclosing a Unit; the entrances to and exits from the Building front entrance walkway;

(3) The vestibule, lobby, mailboxes in lobby, meter and utility service rooms; storage room in cellar; sprinkler room in cellar.

(4) All installations outside the Units for services such as gas, power, light, telephone and water; intercom system;

(5) All sewer pipes and drainage pipes;

(6) The elevator, elevator shaft, pit and bulkhead; elevator room, mechanical and equipment rooms for apparatus and installations for common use;

(7) Any tanks, pumps, motors, fans compressors, ducts and in general all apparatus and installations existing for common use;

(8) All other apparatus and installations existing in the Building for common use or necessary or convenient to the existence, maintenance or safety of the Building;

B. **Limited Common Elements.** The following portions of the Common Elements will be Limited Common Elements:

Exclusive Residential Limited Common Elements

(1) Any balconies and/or terraces adjacent to and with access directly from a particular Residential Unit, which shall be for the exclusive use of such Residential Unit Owner;

(2) The roof terrace above the top floor of Unit 4, which shall be for the exclusive use of Unit 4.

8. **Use of Units.** Each of the Residential Units may be used only for private residential use, except that a Residential Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Units may also be used as professional offices by a resident thereof provided such

professional use does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use is obtained. Notwithstanding the foregoing, the Sponsor or its designee, may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

9. **Determination of Percentages in Common Elements.** The percentage of Common Interest allocated to each Unit is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

10. **Encroachments.** If any portion of the Common Elements now encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Building, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Building or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Building shall stand.

11. **Easements.**

A. Each Unit Owner shall have an easement in common with the owners of all other Units for access to his or her respective Unit and to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right of access to all General Common Elements, to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained within a particular Unit or elsewhere in the Building and/or to perform any other maintenance functions. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit and in favor of other Units and the Common Elements.

B. The Sponsor and its designees, their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon

of any recreation facilities, and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines for the benefit of the recreation facilities, if any, Common Elements and Units; (ii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables; (iii) ingress to and egress from all land areas (in common with Unit Owners) for any lawful purpose; and (iv) performing Sponsor's obligations pursuant to the Offering Plan.

C. The Sponsor, its designees and their successors, assigns, invitees, licensees, contractors, employees and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Building and elsewhere on the Property for the purposes of advertising the sale of Units and the leasing of any Unit as well as an easement in and access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property, as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements and (ii) reserve the right to establish, grant and create easements for any additional underground electric transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, or users of the recreation facilities, if any, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes or home occupation purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

D. The Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace from time to time a plaque and/or sign, without charge, on the exterior

portion of the Building setting forth the name and address of Sponsor or such other information as the Sponsor desires in its sole discretion. Only the Sponsor shall have the right to remove the plaque, unless mandated by law.

E. In addition, each Unit shall have an easement for (i) the exclusive use, alone or in common with one or more other specified Units, of its Limited Common Elements; and (ii) access to any mechanical equipment located outside a Unit which only services a particular Unit, which shall be a fixture which is the personal property of the Unit Owner of the Unit it services. Such Unit Owner shall be responsible for the cost of any maintenance, repair or replacement of such mechanical equipment.

F. The user of any easement granted by subparagraphs B, C, D and E of this Article 11 shall have the responsibility of repairing any damage resulting therefrom. No fee or charge may be imposed by the Board of Managers for any easement granted herein.

12. **Power of Attorney to Board of Managers and Sponsor.** Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in fact, coupled with an interest and with power of substitution, (i) the Sponsor and/or Sponsor-designee to amend the Condominium Documents pursuant to the terms of Article 16 hereof, and (ii) the persons who shall from time to time constitute the Board of Managers for the following purposes:

a) employ counsel for purposes of protesting the New York City real property tax assessments with the appropriate party and distributing tax certiorari proceedings on behalf of all Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

b) acquire or lease any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, or lease such Unit and its Appurtenant Interest, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners at such price, or rental, as the case may be, as the attorneys-in-fact deem proper.

c) to acquire any Unit, together with its Appurtenant Interest which becomes the subject of a foreclosure, or similar sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deemed proper, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners;

d) convey, sell, lease, sublease, 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 without the necessity of further authorization on such terms as the attorneys-in-fact may determine; and

e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Board of Managers deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Board of Managers deems necessary or appropriate or (3) any protests and tax certiorari proceeding affecting the Units.

In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either the Sponsor or the Board of Managers, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney in the form set forth in the Offering Plan, as amended, for the Property.

13. **Acquisition of Units by Board of Managers.** In the event any Unit Owner shall surrender his Unit, together with: (i) the undivided interest in the Common Elements, general and limited, appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium; (hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase from any Unit Owner who has elected to sell the same, a Unit, together with the Appurtenant Interests, pursuant to Section 1 of Article VIII of the By-Laws, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, such Unit and Appurtenant Interests shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers , or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interests.

14. **Person to Receive Service.** The Secretary of State of New York is hereby designated to receive service of process in any action brought against the Condominium. For the period during which Sponsor is in control of the Board of Managers, 449 Washington LLC, with an office at 415 Washington Street, Suite 1B, New York, New York 10013 is hereby designated to receive a copy of the notice of process from the Secretary of State in any action which may be brought against the

Condominium. After Sponsor relinquishes control of the Board of Managers a copy of the notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the Office of the Condominium, 449 Washington Street, New York, New York 10013.

15. **Units Subject to Declaration, By-Laws and Rules and Regulations.** All present and future Owners, tenants, subtenants 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 of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

16. **Amendment to Declaration.** This Declaration may be amended, modified, added to or deleted from by the vote of at least 66 2/3% in number and in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by 66 2/3% in number and in Common Interest of all Unit Owners, provided, however:

(a) No amendment, modification, addition or deletion which shall adversely affect the lien of any mortgage may be made without the written consent of the mortgagee;

(b) No amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner(s); no amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagee(s) of such Unit, or Units, if any;

(c) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against Sponsor, its designee, or any Unsold Unit until Sponsor or such designee, as the case may be, shall consent thereto in writing.

The Sponsor hereby reserves to itself and its designee(s) the right to amend this Declaration at any time without the requirement of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Building and appurtenances which are incomplete at the time the

Declaration is recorded or to subdivide and/or combine any of its Units or alter the boundary walls thereof and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations, and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p.

No such amendment shall be effective until recorded in the New York County Office of the Register of the City New York.

17. **Changes in Unsold Units.** For any Unit owned by the Sponsor or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsor or its designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and (iv) reapportion among such Unit(s) affected by such change in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consents will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Written consents shall also be obtained from contract vendees (if any and provided that they are not then in default), who, pursuant to their Purchase Agreements with Sponsor or its designee are Purchasers of Units adversely affected as a result of the above changes. The above changes, if made, will be disclosed in an amendment to the Offering Plan for the Property. The provisions of this article 17 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designee(s).

Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior or subsequent to this Declaration.

18. **Invalidity.**

(a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall 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 the 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 or 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 that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act.

(b) Subject to the terms of paragraph (a) of this article 18, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration or the By-Laws shall nevertheless be valid and binding upon, and shall 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 thereon 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.

19. **Termination of Condominium.** The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners that own not less than eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for

partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all liens on his Unit, in order of priority of such liens.

20. **Covenant of Further Assurances.** Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board of Managers or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person 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 inferred hereunder pursuant to any such transaction.

If any Unit Owner, the Board of Managers or any other Person who is subject to the terms of this Declaration fails or refuses, within ten (10) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which the Board of Managers, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board of Managers or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Board of Managers or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board of Managers or other Person and such document or action shall be binding on such Unit Owner, Board of Managers or other Person.

If any Unit Owner, the Board of Managers or any other Person who is subject to the terms of this Declaration fails or refuses, within ten (10) days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board of Managers or other Person is required to execute, acknowledge and deliver pursuant to this Declaration at the request of the Sponsor or its designee, then the Sponsor or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board of Managers or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board of Managers or other Person and such document or action shall be binding on such Unit Owner, Board of Managers or other Person, as the case may be.

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.

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 thereof.

23. **Gender.** The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the party has caused this Declaration to be executed by its duly authorized representative this _____ day of _____, 20__.

449 Washington LLC

By:_____
Gizman Abbas

By:_____

By:_____

STATE OF NEW YORK)
) 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 by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and office of individual
taking acknowledgment

STATE OF NEW YORK)
) 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 by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and office of individual
taking acknowledgment

SCHEDULE A
TO THE DECLARATION OF
WASHINGTON CONDOMINIUM

All that certain plot, piece or parcel of land, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Washington Street distant 50 feet southerly from the southeasterly corner of Washington and Watts Streets at the southerly face of the southerly wall of the building on the premises adjoining on the North.

RUNNING THENCE easterly along a line forming an angle of 89 degrees 44 minutes 40 seconds on its northerly side with the easterly side of Washington Street, but part of the distance along the northerly faces of the northerly walls of the buildings on the premises herein described, 79 feet 9 inches to the easterly face of the easterly wall of the one-story brick extension building on the premises herein;

THENCE southerly along a line forming an angle of 90 degrees 03 minutes 40 seconds on its westerly side and partly along the easterly face of such wall, 25 feet ¾ of an inch to the southerly face of such one-story extension building.

THENCE partly along the southerly faces of the southerly walls of the buildings on the premises herein, 80 feet 3-3/4 inches to the easterly side of Washington Street at a point therein distant 25 feet 2 inches southerly from the point of BEGINNING; and

THENCE northerly along the easterly side of Washington Street, 25 feet 2 inches to the point of BEGINNING.

SCHEDULE B
TO THE DECLARATION OF
THE CONDOMINIUM KNOWN AS
WASHINGTON CONDOMINIUM
449 WASHINGTON STREET
NEW YORK, NEW YORK 10013

Unit	Percentage of Interest in Common Elements	Tax Lot Number	Approximate Square Foot Area	Approximate Square Foot Area of Terrace(s) and/or Balconies	Location	Number of Rooms/Baths	Common Elements to Which Unit Has Immediate Access
1	33.28		3,236		first floor, second floor	4/3.5	stairway; elevator
2	17.12		1,665	32 B	third floor	4/2.0	stairway; elevator
3	17.13		1,666	32 B	fourth floor	4/2.0	stairway; elevator
4	32.47		3,157	528 T 778 T 317 RT	fifth, sixth and seventh (mezzanine) floor	8/2.5	stairway; elevator

B denotes Balcony; T denotes Terrace; RT denotes Roof Terrace

SCHEDULE C
TO THE DECLARATION
OF CONDOMINIUM OF THE PREMISES
KNOWN AS

WASHINGTON CONDOMINIUM
449 Washington Street
New York, New York 10013

DEFINITIONS

"Appurtenant Interest"	-	With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.
"Assessments"	-	The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest, (except as otherwise provided in the Declaration or in the By-Laws).
"Board of Managers" or "Condominium Board"	-	The governing board of the Condominium composed of representatives elected by Unit Owners voting in accordance with their respective percentages of Common Interest.
"Building"	-	The structure located at 449 Washington Street, New York, New York 10013.
"By-Laws"	-	Means the document governing the operations of the Condominium, including the rules and regulations, which are annexed to the Declaration, as the same may be amended from time to time.
"Common Charges"	-	Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

"Common Elements" - All portions of the Property other than Units. Common Elements are comprised of General Common Elements and Limited Common Elements.

"Common Expenses" - a) Expenses of operation of the Property, and

b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.

"Common Interest" - The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as expressed in the Declaration.

"Condominium" - A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan "Condominium" specifically refers to "Washington Condominium."

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

"Condominium Documents" - The Declaration and all Schedules thereto, the By-Laws, the Rules and Regulations, the Floor Plans, form of Unit Deed and the form of Unit Owners Power of Attorney.

"Declaration" - The instrument, as may be amended from time to time, by which the Property is submitted to the provisions of the New York State Condominium Act, consistent with the provisions of the New York Condominium Act and the By-Laws.

"First Unit Closing" - The first closing of title with a bona fide purchaser of a Unit.

"Floor Plans" - The floor plans of the Units certified by a licensed engineer or registered architect, and filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"General Common Elements"	-	Shall mean those certain portions of the Property (other than the Units) as well as the fixtures and equipment therein, either existing for the common use of the Units or the Unit Owners or necessary for or facilitating the existence, maintenance, operations or safety of the Property, as more particularly described in the Declaration.
"Institutional Lender"	-	Means a savings and loan association, credit union, savings bank, commercial bank or trust company or a foreign banking institution authorized to do business in New York; an insurance company, education institution, welfare, pension or retirement fund or system, any other entity subject to supervision and regulation by the insurance or banking department of the State of New York or by a department or agency of the United States exercising similar functions (or any successor department or departments hereafter exercising the same function as said departments), any governmental agency or entity insured by a governmental agency, a finance company, a private mortgage company, a conduit or pooled mortgage investment fund, a real estate investment trust, an investment bank, mutual fund, commercial credit corporation, savings and loan association, or any combination of Institutional Lenders, other lenders generally considered an "institutional" real estate lender and which makes loans secured by real estate as an ordinary part of its business.
"Insurance Trustee"	-	A bank, a trust company or savings and loan association, having both an office in the City of New York, from time to time appointed to serve as such by the Condominium Board.
"Land"	-	All that certain tract, plot, piece and parcel of land situate, lying and being in the County of New York, City and State of New York, as more particularly described in Schedule A to the Declaration.
"Law"	-	The laws and ordinances of any or all of the Federal, New York State, New York City, and New York County governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the

Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Elements" - Shall mean those certain portions of the Property (other than the Units) as well as the fixtures and equipment therein, either existing for the use and enjoyment of a particular Unit Owner or certain Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration.

"Majority" - Majority of Unit Owners means either (i) more than fifty per cent in Common Interest in the aggregate, or (ii) more than fifty per cent in number of Units in the aggregate, or (iii) more than fifty per cent in the aggregate in both Common Interest and in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters. Any specified percentage of Unit Owners means (i) such percentage in Common Interest in the aggregate, or (ii) such percentage in number of Units in the aggregate, or (iii) such percentage in Common Interest and such percentage in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, provided, however, that different percentages in interest and in number of Units may be so specified.

"Managing Agent" - A person employed by the Condominium Board pursuant to Article II, Section 3 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in such Section of the By-Laws.

"Offering Plan" - The document filed with the New York State Department of Law which describes the condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time. Sometimes herein referred to as the "Plan".

"Operation of the Property" - The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.

"Person"	-	A natural person, corporation, partnership, association, trustee or other legal entity.
"Property"	-	Means and includes the Land, the Building and all other improvements thereon, (i) owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.
"Purchaser"	-	Any Person who has entered into an agreement with Sponsor to purchase any Unit and is not in default thereunder.
"Recording officer" and "Recording" or "Recorded"	-	Shall have the meanings stated in section two hundred ninety of the New York State Real Property Law.
"Residential Unit"	-	A designated apartment in the Building comprising the Condominium, which is owned in fee simple absolute.
"Residential Units"	-	Collectively, all the apartments in the Building.
"Residential Unit Owner"	-	Means the person, persons or entity owning a Residential Unit in fee simple absolute.
"Rules and Regulations"	-	The rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.
"Selling Agent"	-	The entity which on behalf of the Sponsor, originates and supervises sales of Units. The Corcoran Group is acting as the Selling Agent herein.
"Sponsor"	-	The promoter of the project and/or Offering Plan to convert a particular parcel of property to Cooperative or Condominium Ownership; 449 Washington LLC is the Sponsor of this Offering Plan.
"Sponsor-designee"	-	Any Person designated by Sponsor to hold title to any Unit. Sponsor's statement in writing that a Person is a Sponsor-

designee shall be conclusive evidence of such status so as to entitle such Person to all the rights of a Sponsor-designee under this Offering Plan. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such subsequent designee shall also be deemed a "Sponsor-designee".

"Unit" - Any space in the Building designated as a Unit. Such Units are a part of the Property intended for any type of legal use or uses, and adjoin an exit to a public street or highway or a Common Element or elements leading to a public street or highway, and may include such appurtenances as a storage room, balcony, or terrace. Any mechanical equipment located outside a Unit which only services a particular Unit shall be a fixture which is the personal property of the Unit Owner of the Unit it services. Such Unit Owner shall be responsible for the cost of any maintenance, repair or replacement of such mechanical equipment.

"Unit Deed" - The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.

"Unit Designation" - The number, letter or combination thereof or other official designations confirming the tax lot number, if any, designating the Unit in the Declaration and on the Floor Plans.

"Unit Owner" - The person or persons, or entity owning a Unit in fee simple absolute. It collectively means the respective owners of the Residential Units.

"Unsold Units" - Any Unit owned by Sponsor or its designee at the time in question.

BY-LAWS

OF

WASHINGTON CONDOMINIUM

Borough of Manhattan

County of New York, City and State of New York

STEMPEL BENNETT CLAMAN & HOCHBERG, P.C.
675 THIRD AVENUE - 31st FLOOR
NEW YORK, NEW YORK 10017

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

Article	Title	Page
I	Plan of Unit Ownership	1
	Sec. 1. Unit Ownership	1
	Sec. 2. Applicability of By-Laws	1
	Sec. 3. Application	1
	Sec. 4. Definitions	1
	Sec. 5. Office	2
II	Board of Managers	2
	Sec. 1. Status of the Board of Managers	2
	Sec. 2. Number and Term	2
	Sec. 3. Powers and Duties	2
	Sec. 4. Managing Agent and Manager	4
	Sec. 5. First Board of Managers	4
	Sec. 6. Removal of Members of Board of Managers	4
	Sec. 7. Vacancies	7
	Sec. 8. Organization Meeting	7
	Sec. 9. Regular Meetings	7
	Sec. 10. Special Meetings	7
	Sec. 11. Waiver of Notice	7
	Sec. 12. Quorum of Board of Managers	8
	Sec. 13. Fidelity Bonds	8
	Sec. 14. Compensation	8
	Sec. 15. Liability of the Board of Managers	8
	Sec. 16. Executive Committee	8
	Sec. 17. Other Committees	9
III	Unit Owners	9
	Sec. 1. Annual Meetings	9
	Sec. 2. Place of Meetings	10
	Sec. 3 Special Meetings	10
	Sec. 4. Notice of Meetings	10
	Sec. 5. Adjournment of Meetings	10
	Sec. 6. Order of Business	10
	Sec. 7. Title to Units	11
	Sec. 8. Voting	11
	Sec. 9 Majority of Unit Owners	11
	Sec. 10 Quorum	12
	Sec. 11. Majority Vote	12
	Sec. 12. Action Without Meeting	12

IV	Officers		12
	Sec. 1.	Designation	12
	Sec. 2.	Election of Officers	12
	Sec. 3.	Removal of Officers	12
	Sec. 4.	President	12
	Sec. 5.	Vice President	13
	Sec. 6.	Secretary	13
	Sec. 7.	Treasurer	13
	Sec. 8.	Agreements, Contracts, Deeds, Checks, etc	13
	Sec. 9.	Compensation of Officers	13
	Sec. 10.	Liability of Officers	13
V	Notices		13
	Sec. 1.	Definition	13
	Sec. 2.	Service of Notice Waiver	14
VI	Operation of the Property		14
	Sec. 1.	Determination of Common Expenses and Fixing of Common Charges	14
	Sec. 2.	Insurance	15
	Sec. 3.	Repair or Reconstruction After Fire or Other Casualty	17
	Sec. 4.	Payment of Common Charges	18
	Sec. 5.	Collection of Common Charges and Assessments	18
	Sec. 6.	Default in Payment of Common Charges or Assessments	19
	Sec. 7.	Foreclosure of Liens for Unpaid Common Charges	19
	Sec. 8.	Statement of Common Charges and Assessments	19
	Sec. 9.	Abatement and Enjoinment of Violations by Unit Owners	19
	Sec. 10.	Maintenance and Repairs	20
	Sec. 11.	Restrictions on Use of Units	21
	Sec. 12.	Additions, Alterations or Improvements by Board of Managers	22
	Sec. 13.	Additions, Alterations or Improvements by Unit Owners	22
	Sec. 14.	Use of Common Elements and Facilities	26
	Sec. 15.	Right of Access	27
	Sec. 16.	Rules of Conduct	27
	Sec. 17.	Water Charges and Sewer Rents	28
	Sec. 18.	Electricity and Gas	28
	Sec. 19.	Vault Charges	28
	Sec. 20.	Real Estate Taxes	28
	Sec. 21.	Review of Real Estate Tax Assessments	28

VII	Mortgages		29
	Sec. 1.	Notice to Board of Managers	29
	Sec. 2.	Notice of Unpaid Common Charges	29
	Sec. 3.	Notice of Default	29
	Sec. 4.	Examination of Books	29
VIII	Sales, Leases and Mortgage of Units		29
	Sec. 1.	Sales and Leases	29
	Sec. 2.	Consent of Unit Owners to Purchase or Lease of Units by Board of Managers	31
	Sec. 3.	No Severance of Ownership	31
	Sec. 4.	Release by Board of Managers of Right of First Refusal	32
	Sec. 5.	Certificate of Termination of Right of First Refusal	32
	Sec. 6.	Financing of Purchase of Units by Board of Managers	32
	Sec. 7.	Exceptions	32
	Sec. 8.	Gifts and Devises, etc.	32
	Sec. 9.	Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or its Designee, on Behalf of All Unit Owners as Tenants in Common	32
	Sec. 10.	Payment of Common Charges and Assessments	33
	Sec. 11.	Mortgage of Units	33
	Sec. 12.	Fees and Charges	33
IX	Certain Remedies		33
	Sec. 1.	Self Help	33
	Sec. 2.	Abatement and Enjoinment	34
	Sec. 3.	Remedies Cumulative	34
	Sec. 4.	Costs and Expenses	34
X	Condemnation		35
	Sec. 1.	Condemnation	35
XI	Records		35
	Sec. 1.	Records and Audits	35
XII	Miscellaneous		36
	Sec. 1.	Invalidity	36
	Sec. 2.	Captions	36
	Sec. 3.	Gender	36
	Sec. 4.	Waiver	36
	Sec. 5.	Insurance Trustee	36
	Sec. 6.	Definition of "Mortgagee"	37

XIII	Amendments to the By-Laws	37
	Sec. 1. Amendment to By-Laws	37
XIV	Conflicts	37
	Sec. 1. Conflicts	37
XV	Further Assurances	37
	Sec. 1. General	37
	Sec. 2. Failure to Deliver or Act	37
	Schedule A - Rules and Regulations	39

BY-LAWS

OF

WASHINGTON CONDOMINIUM

ARTICLE I

PLAN OF UNIT OWNERSHIP

Section 1. Unit Ownership. The property, located in the Borough of Manhattan, County of New York and City and State of New York at 449 Washington Street (hereinafter called the "Property") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in New York County Office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as Washington Condominium.

Section 2. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the Building and all other improvements thereon (including the Units, the Common Elements and Limited Common Elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units."

Section 3. Application. All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Schedule C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the afore described capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 5. Office. The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE II

BOARD OF MANAGERS

Section 1. Status of the Board of Managers. Unless and until the Board of Managers shall incorporate in accordance with the terms of Section 3 hereof, the Board of Managers shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Board of Managers shall incorporate in accordance with the terms of Section 3 hereof, the Board of Managers shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Board of Managers shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2. Number and Term. The number of Managers which shall constitute the whole Board shall not be less than three (3) and not more than seven (7). Until succeeded by the Managers elected at the first meeting of Unit Owners called for such purpose, Managers need not be Unit Owners; thereafter, all Managers, other than a representative of Sponsor, shall be Unit Owners, the principal or officer of a Unit Owner or the spouse of a Unit Owner. The number of Managers elected at the first such meeting shall be five. Thereafter, within the limits above specified, the number of Managers shall be determined by the Unit Owners at their annual meetings. The Managers shall be elected at the annual meeting of the members. There shall always be an odd number of Managers. The Managers shall hold office until their successors have been elected and hold their first meeting. But, in any event, the terms of the members of the Board of Managers shall expire annually.

Section 3. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

a. Contracting for the necessary services for operation, care, upkeep and maintenance of the Common Elements.

b. Determination of the Common Expenses and Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property.

c. Collection of the Common Charges from the Unit Owners, including Assessments and Special Assessments and payment of Common Expenses of

the Condominium. Determining the means and methods of payment of Common Charges, including Assessments and Special Assessments.

d. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

e. Adoption and amendment of Rules and Regulations covering the details of the operation and use of the Property subject to a right of the Unit Owners to overrule the Board (See Article VI, Section 16).

f. Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

g. Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their Owners to the Board of Managers.

h. Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

i. Acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium, as described in the Declaration and these By-Laws.

j. Selling, leasing, mortgaging (but not voting the votes appurtenant to), or otherwise dealing with Units acquired by, and subleasing Units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

k. Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.

l. To incorporate, to the extent and in the manner provided by the Condominium Act, provided, however, that: (i) the certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (ii) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by laws;

m. Obtaining and reviewing of insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof.

n. Making of repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

o. Negotiation and settlement of all claims and actions relating to the Condominium.

p. maintaining complete and accurate books and records with respect to the finances and the operation of the Board of Managers, including without limitation: (i) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (ii) detailed books of account of the Condominium Board; (iii) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (iv) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

q. Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of a majority of all Unit Owners shall be required for the borrowing of any sum in excess of $25,000.00 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Unit Owner. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (q) is not repaid by the Board, a Unit Owner who pays to the creditor such proportional share thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit. The documentation executed in connection with any of such borrowing shall contain language to this effect;

r. Levying fines against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Property and levying late payment charges against Unit owners for late payment of their Common Charges, including Assessments and Special Assessments.

s. To execute, acknowledge and deliver: (i) any declaration (including a declaration of single zoning lot) or other instrument affecting the Property

that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (ii) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

t. To prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Board of Manager's estimation, it is advisable to consolidate and restate all amendments modifications, additions and deletions theretofore made to the same;

u. To prepare, execute, acknowledge and institute on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby against such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of this Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceeding.

v. To carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws, including enforcement of the Rules and Regulations of the Condominium.

w. Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or any Sponsor-designee shall continue to own Condominium Units equaling at least twenty-five (25%) percent of the total Common Interest of the Condominium but in no event for a period in excess of five (5) years from the closing of title to the first Unit ("First Unit Closing"), the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed 5.00% of the budgeted expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by applicable laws or regulations, or to remedy a notice of violation or remedy a work order by an insurer to the extent that existing reserves are insufficient). As long as the Sponsor or any Sponsor-designee, shall continue to own a Unit the Board of Managers may not, without the Sponsor's or

Sponsor designee's prior written consent, (i) amend the Declaration or these By-Laws so as to in any way adversely affect the Sponsor or its designees, or (ii) interfere with the offer and sale or leasing of Units at the Property (iii) interfere with the operation of general or sales and leasing offices at the Property or actions necessary for construction, renovation, repair or correction at the Property, as required by Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding the provisions of this Section 3, the Sponsor or Sponsor-designee shall not withhold its consent to the making of repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable laws or regulations, to remedy any notice of violation or to remedy any work order by an insurer.

Section 4. Managing Agent and Manager. The Board of Managers may employ for the Condominium a managing agent and/or a manager at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to the manager or managing agent, all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (k), (l), (o), (q), (r), (s) and (t) of Section 3 of this Article II. All Unit Owners of Units occupied by a non-purchasing tenant, other than Sponsor or its designee, herein agree to irrevocably appoint the Managing Agent of the Condominium and its successors and assigns or to appoint the Board of Managers, if no Managing Agent is employed by the Condominium, as his or her Agent to provide to the non-purchasing tenant(s) all services and facilities required by law.

Section 5. First Board of Managers. The first Board of Managers shall consist of persons designated by the Sponsor, who shall hold office and exercise all powers of the Board of Managers until the first meeting of Unit Owners called for the purpose of electing Managers. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 7 of this Article.

Section 6. Removal of Members of the Board of Managers. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor or a Sponsor-designee, may be removed with or without cause by an affirmative vote of Unit Owners whose aggregate Common Interest exceed fifty percent (50%) of the Common Interest of the Condominium, and a successor may then and there or thereafter be elected to fill the vacancy thus created for the remainder of the term. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by the Sponsor or a Sponsor-designee may only be removed for cause by the affirmative vote of Unit Owners (including Sponsor and/or any other Holder of Unsold Units) owning in the aggregate a percentage of Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. In the event of such removal, the Sponsor or Sponsor designee, as the case may be, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers. If a member of the Board of Managers ceases to be a Unit Owner, the principal or officer of a Unit Owner or the spouse

of a Unit Owner, unless such member is a Sponsor-designee, he shall be deemed to have resigned, effective as of the date such ownership interest ceased.

Section 7. Vacancies. Vacancies in the Board of Managers caused by any reason, other than the removal of a member thereof by a vote of the Unit Owners, shall be filled by a vote of the majority of the remaining members at a special meeting of the Board of Managers 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 each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of the Unit Owners to serve the remaining term. Notwithstanding the foregoing, vacancies of members designated by the Sponsor or Sponsor-designee shall be filled only by the Sponsor or Sponsor-designee, as the case may be.

Section 8. Organization Meeting. The first meeting of the members of the Board of Managers following the annual meeting of the Unit Owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by a majority of the members of the Board of Managers, elected at the meeting at which they shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Managers in order to legally constitute such meeting, providing a majority of the whole Board of Managers shall be present thereat.

Section 9. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers, by mail or telegraph, at least five (5) business days prior to the day named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers, given by mail, fax, e-mail or personal delivery to the Unit owned by such member of the Board of Managers, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Managers if the number of Managers is three; at least three (3) members of the Board of Managers if the number of managers is five (5) and at least four (4) members of the Board of Managers if the number of managers is seven (7).

Section 11. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Quorum of Board of Managers. At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If, at any meeting of the Board of Managers, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice. Any action required or permitted to be taken by the Board of Managers or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Board or the committee.

Section 13. Fidelity Bonds. The Board of Managers may obtain fidelity bonds in the amount of $50,000.00 or more for all officers and employees of the Condominium handling or responsible for Condominium funds and for the managing agent. The premiums on such bonds, if obtained, shall constitute a Common Expense.

Section 14. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 15. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is understood and permissible for the original Board of Managers, who are members of the Sponsor, to contract with the Sponsor and affiliated entities without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 16. Executive Committee. The Board of Managers may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Managers, at least one of whom shall be a member designated by the Sponsor or Sponsor-designee so long as the Sponsor or Sponsor-designee has the right to designate a member of the Board. Such

Executive Committee shall have and may exercise all the powers of the Board of Managers in the managing of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Charges and expenses required for the affairs of the Condominium, (b) to determine the Common Charges payable by the Unit Owners to meet the Common Charges and expenses of the Condominium, (c) to adopt or amend the Rules and Regulations covering the details of the operation and use of the Property or (d) to exercise any of the powers set forth in subdivisions (g), (h), (i) and (q) of Section 3 of Article II.

Section 17. Other Committees. The Board of Managers may by resolution create such other committees as it shall deem appropriate and such committees shall have such powers and authority as the Board of Managers shall vest therein. The members of any such committee, at least one of whom shall be designated by the Sponsor or a Sponsor- designee, so long as the Sponsor or Sponsor-designee has the right to designate a member of the Board, shall be appointed by the President of the Condominium. The members of any such committee need not be a member of the Board of Managers, but must be eligible to be elected to the Board of Managers. Such committee shall not have power to do any act which the Executive Committee may not do under subsections (a)-(d) of Section 16 of Article II.

ARTICLE III

UNIT OWNERS

Section 1. Annual Meetings.

(a) Within thirty (30) days after the earlier of (i) the closing of title to Units whose aggregate Common Interest exceeds fifty (50%) percent or (ii) two (2) years from the First Unit Closing, or such earlier time as Sponsor deems to be in the best interest of the parties the Sponsor shall call a special Unit Owners meeting for the purpose of electing a Board of Managers. At such meeting the Board of Managers shall resign and a new Board shall be elected by the Unit Owners, subject to the right of Sponsor to maintain control of the Board of Managers as set forth below. Thereafter, annual meetings shall be held on or about the anniversary of such date each succeeding year. At such meetings, there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article II of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

(b) Sponsor's Right to Elect Members of the Board of Managers. Upon the earlier of five (5) years subsequent to the date of the First Unit Closing or the date of the closing of title to a Unit or Units, resulting in the aggregate Common Interest of the Condominium exceeding ninety (90%) percent, which has been sold to bona fide purchasers, Sponsor and/or Sponsor-designee(s) will relinquish control of the Board of Managers if they have such control and will not elect a majority of the Board of Managers of the Condominium even though the aggregate percentage of Common Interest owned by them may enable them to otherwise do so. Subsequent to the date when the Sponsor relinquishes control of the Board of Managers and so long as the Sponsor or a Sponsor-designee shall continue to own at least two (2) Units, the Sponsor or Sponsor-designee shall

have the right to elect at least two of the five members of the Board of Managers or one member less than a majority of the Board of Managers, as the case may be. Also, subsequent to the date when the Sponsor relinquishes control of the Board of Managers and as long as the Sponsor or a Sponsor-designee shall continue to own at least one Unit, but less than two (2) Units, the Sponsor or Sponsor-designee shall have the right to elect at least one of the members of the Board of Managers. The Unit Owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners as defined in Section 9 of this Article III having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the building or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least ten (10) days prior to such meeting. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum has not attended, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the 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. Report of Board of Managers;

g. Reports of committees;

h. Election of inspectors of election (when so required);

i. Election of members of the Board of Managers (when so required);

j. Unfinished business;

k. New business;

l. Adjournment.

Section 7. Title to Units. Title to Units may be taken in the name of an individual or in the names of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust, estate, unincorporated association, syndicate, joint venture, limited liability company, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section. The above shall not constitute consent or condonation of any activity not permitted under existing certificates of occupancy, zoning requirements or other applicable law or regulation.

Section 8. Voting. The Owner or Owners of each Unit, or some person designated by such Owner or Owners to act as proxy on his or their behalf, who need not be an Owner, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the Owner or Owners so designating. Any or all of such Owners may be present at any meeting of the Unit Owners. The Owners of each Unit (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to a vote at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Unit Owner: (i) shall be entitled to one vote for each .0001% of Common Interest attributable to his Unit per member to be elected, and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. If Units are owned by more than one person as joint tenants, tenants by the entirety or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 9. Majority of Unit Owners. As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 8 of this Article III.

Section 10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 11. Majority Vote. The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where, in the Declaration or these By-Laws or by law, a higher percentage vote is required.

Section 12. Action Without Meeting. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law, consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

ARTICLE IV

OFFICERS

Section 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers and until their successors are elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose. In addition, any officer may resign at any time by giving written notice to the Board of Managers. Finally, if any officer of the Condominium shall cease to be or shall be suspended as a member of the Board of Managers during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership shall cease.

Section 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He 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 members of committees created by the Board of Managers from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers is to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

Section 10. Liability of Officers. The officers of the Condominium shall have the same rights and liabilities as the members of the Board of Managers under Article II Section 15 of these By-Laws.

ARTICLE V

NOTICES

Section 1. Definition. Whenever, under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any manager, Unit Owner or mortgagee, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such manager or Unit Owner or mortgagee at such address as

appears on the books of the Condominium. Members of the Board of Managers may be given notice in writing personally delivered to them.

Section 2. Service of Notice Waiver. Whenever any notice is required to be given under the provisions of the Declaration or of 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 VI

OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, at least annually, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners according to their respective Common Interests. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Section 2 of this Article VI and the fees and disbursements of the Insurance Trustee, if any. The Common Expenses shall also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium for a general operating reserve, and for a reserve fund for replacements, to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Unit(s). The Board of Managers shall also, where necessary, impose an assessment or additional Common Charge in order to meet any unanticipated Common Expense. All such Assessments or additional Common Charges shall be levied against all Unit Owners in proportion to their respective Common Interest. Assessments may be payable either in one lump sum or in installments, as the Board of Managers shall determine, provided, however, that the Board of Managers shall give each Unit Owner not less than 15 days written notice prior to the date upon which such Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth in reasonable detail, the nature and purposes thereof. The Board of Managers shall have all rights and remedies for the collection of Assessments as are provided herein for the collection of Common Charges, such Assessments constituting a Common Charge. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such charges are based, to all Unit Owners and to their mortgagees, if so required.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona

fide purchaser. However, notwithstanding the foregoing, the Sponsor reserves the right to indefinitely suspend the imposition of Common Charges on all Units at the First Unit Closing, provided Sponsor gives a written undertaking to pay and does pay all expenses of the Condominium during the time period in which Common Charges are suspended. Thereafter, upon fifteen (15) days prior written notice to all Unit Owners and the Board of Managers, Sponsor may impose the payment of Common Charges from the date set forth in the notice provided Sponsor pays the Common Charges for all Unsold Units from that date forward.

Section 2. Insurance. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (a) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners), together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees as their interests may appear, in an amount to be determined by the Board of Managers but in no event to be less than the full replacement cost of the Building, including the above noted items but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee, if any, as herein provided; (b) worker's compensation insurance, if the Condominium has employees; (c) a fidelity bond or bonds in sufficient amounts, to fully protect the interest of the Condominium, may be carried on each member of the Board of Managers, officers of the Condominium, managing agent and managers, including any person or persons handling or responsible for funds of the Condominium; (d) disability benefits insurance if the Condominium has employees; and (e) such other insurance as the Board of Managers may determine. All policies of physical damage insurance shall provide that adjustment of loss shall be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if more than $100,000.00), and that the total proceeds thereof, if $100,000.00 or less, shall be payable to the Board of Managers and if more than $100,000.00 shall be payable to the Insurance Trustee, if any.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium shall be primary insureds to the extent as their interests shall also appear. Such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies if so requested in writing by them.

In the event that the damage resulting from a fire or other casualty loss shall (a) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or

(b) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such casualty loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a family member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Board of Managers with respect to such Unit.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least $1,000,000 covering all claims for bodily injury with respect to any one occurrence.

Any insurance maintained by the Board of Managers may provide for such deductible amounts as the Board of Managers determines and the premiums for all such insurance will be borne by the Unit Owners as a Common Expense.

The Board of Managers is not required to obtain or maintain any insurance with respect to personal property contained in any Unit or any liability with respect to occurrences in or about each Unit. Pursuant to the By-Laws, each Unit Owner will carry at their own cost and expense, other insurance for their own benefit, including casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units and liability insurance with respect to occurrences in or about their Units, provided that such policies will contain waivers of subrogation, if available, and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers will not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Each Unit Owner shall obtain and keep in full force and effect: (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including but not limited to appropriate coverage for additions, alterations, improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time.

If, by reason of the occupancy or use of a particular Unit, the rate of fire or liability insurance for the Property shall be increased, such Unit Owner shall (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

No provision of the condominium project documents gives a condominium unit owner or any other party priority over any rights of the first mortgagee of the condominium unit pursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or a taking of condominium units and/or common elements.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building containing the Units as a result of fire or other casualty, unless seventy-five percent (75%) or more of the Building containing the Units are destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals seventy-five (75%) in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen and bathroom fixtures and floor coverings initially installed therein by the Sponsor, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five percent (75%) or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals seventy-five percent (75%) in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first payment out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Whenever in this Section the words "promptly repair" are used it shall mean repairs are to begin not more than sixty days from the date the Insurance Trustee notified the Board of Managers and the Unit Owner or Unit Owners that it shall hold proceeds of insurance funds sufficient to pay the estimated costs of such work; or not more than ninety days after Insurance Trustee notified said Board of Managers and Unit Owner or Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary. If there is no Insurance Trustee, then the aforementioned sixty and ninety day periods shall be from date of notification by an insurance adjuster retained by the Board of Managers. Wherever the words, "promptly resolve" are used it shall also mean not more than sixty days from the date of receipt of said insurance funds.

Section 4. Payment of Common Charges. All Unit Owners shall be obligated to pay the Common Charges (including Assessments and Special Assessments) assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges (including Assessments and Special Assessments) assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his Unit is free and clear of liens and encumbrances, other than permissible mortgages and the statutory lien for unpaid Common Charges, convey his Unit, together with the "Appurtenant Interests" to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed and unpaid against such Unit prior to the acquisition by him of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for and such Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the foreclosure sale.

No Unit Owner shall be exempted from liability for the payment of Common Charges, including Assessments and/or Special Assessments, by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit (except with respect to a conveyance of the same to the Board of Managers, without compensation, pursuant to the terms of this section.) Except as expressly provided to the contrary in this section, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges, including Assessment and/or Special Assessments payable thereby for any inconvenience or discomfort arising from: (a) the failure or interruption of any utility or other services; (b) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of these By-Laws; or (c) any action taken by the Board of Managers or the officers of the Condominium to comply with law.

Section 5. Collection of Common Charges and Assessments. The Board of Managers shall assess Common Charges against the Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner which remains unpaid for more than 30 days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner which remains unpaid for more than 30 days from the due date thereof. Common Charges shall be paid by the fifth day of the month in which they are due or they shall be deemed to be late. Common Charges are deemed to include Assessments and/or Special Assessments.

RPL Section 339-kk provides that if a non-occupying Unit Owner, including Sponsor, fails to pay in full, within sixty (60) days after the expiration of any grace period, any common charges, assessment or late fees due for his or her Unit, then the Board of Managers shall provide written notice to the tenant and the non-occupying Unit Owner stating that the tenant is to forthwith commence paying rent directly to the Condominium. The Board may elect not to commence paying rent directly to the Condominium Association. The Board may elect not to send such notice if a majority of the Board of Managers is elected from Unit Owners who are in occupancy of their Units.

Payments of rent directly to the Board shall continue until the non-occupying Unit Owner once again becomes current with respect to common charges, assessments and late fees to the Board of Managers.

Section 6. Default in Payment of Common Charges or Assessments. In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owner shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including late fees charged by the Board of Managers and attorneys' fees incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339aa thereof. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Statement of Common Charges and Assessments. The Board of Managers, managing agent or manager shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 9. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit 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 that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and (c) in any event charge the Unit Owner with the cost of reasonable legal and other fees and costs incurred in enjoining, abating or remedying such violation.

Section 10. Maintenance and Repairs.

a. All maintenance of and repairs to any Unit, ordinary or extraordinary, including the skylights of a Unit, and to the doors (except painting exterior side of Residential Unit entrance door), windows (except painting exterior side of Residential windows), electrical (except Common Elements), plumbing (except Common Elements) and heating and/or hot water fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, excepting as otherwise specifically provided herein.

b. All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed (1) by the Board of Managers as a Common Expense, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner, having direct and exclusive access thereto), or (2) by the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if it is involving nonstructural ordinary maintenance, repairs or replacements, such as a roofing surface, terrace surface and/or a roof deck or terrace above such surface or as a result of the Unit Owner's negligence, misuse or neglect.

c. Promptly upon obtaining knowledge thereof, each Unit Owner shall report in writing delivered by mail to the Board of Managers or to the Managing Agent any defect or need for repairs for which the Board Of Managers is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner of the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

d. Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any balcony, terrace, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Board of Managers, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board of Managers, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and

replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Board of Managers, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of terraces, balconies, windows and shades, Venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit. Sealing of lot line windows shall be the responsibility of the Unit Owner whose lot line window borders such unit.

Section 11. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

a. The Residential Units shall be used only for a private residence, except that a Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Any Residential Unit may also be used as a professional office by a resident thereof, provided such professional use does not violate zoning regulations and provided further that the prior consent of the Board of Managers to such professional use is obtained. Notwithstanding the foregoing the Sponsor or Sponsor-designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to comply with its obligations.

b. The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. In addition, no furniture, packages, or objects of any kind other than a doormat at the entrance door shall be placed in the public stairways or any other part of the Common Elements (except for those areas designated as storage areas, if any) without the prior written consent of the Board of Managers. The public stairways shall be used only for normal passage through them.

c. No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

d. No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

e. Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

f. No portion of a Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit, including the Limited Common Elements appurtenant thereto) may be rented.

The terms of sub-paragraph (b) of this Section 11 shall not apply to Sponsor or its designee for so long as there are any Unsold Units. So long as Sponsor owns any Unit, Sponsor or its designee shall have the right, without charge or limitation, to: (i) erect and maintain signs of any size or content determined by Sponsor or such designee, on or about any portion of the Common Elements chosen by Sponsor or such designee, including, without limitation, on the exterior walls of the Building or adjacent to any entrance thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Offering Plan and the Condominium Documents.

Section 12. Additions, Alterations or Improvements by Board of Managers. Subject to the provisions of Section 3 of Article II of these By-Laws, whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements (but not maintenance) costing in excess of $25,000.00, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements costing $25,000.00 or less may be made by the Board of Managers without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Section 13. Additions, Alterations or Improvements by Unit Owners. Except as provided below, no Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or which affects the exterior of the Building or the value of other Units, without prior

written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval in such Unit Owner's Unit of a proposed structural addition, alteration or improvement or which affects the exterior of the Building or the value of other Units, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. Any application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

Prior to and as a condition of granting approval to any aforementioned addition, alteration or improvement, the Condominium Board may, in its sole discretion, require the Unit Owner to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, or improvement, may be made, including, an indemnification of the Condominium Board, its members, officers of the Condominium, the Managing Agent, and all other Unit Owners harmless with respect to such proposed addition, alteration or improvement. Such an agreement shall be required to be signed by a Purchaser, prior to closing, as a condition of prior written approval of the Board of Managers, even if the Board of Managers consists of Sponsor related individuals and no Unit Closings have yet occurred. In the absence of a written indemnification any Unit Owner whose proposed alteration, addition or improvement has been approved by the Condominium Board or where such approval is not needed shall be deemed to have agreed to indemnify the Condominium Board, its members and officers, the Managing Agent and all other Unit Owners harmless with respect to such alteration, addition or improvement and matters pertaining thereto.

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement or addition, alteration or improvement which affects the exterior of the Building or the value of other units to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi- governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and workmen's compensation insurances (certificate for which shall be delivered to the Managing Agent on behalf of the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary, due to additional stresses caused by the structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work. All

alterations, including non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units, which are performed by other than the Sponsor or its designee, as well as any consent given by the Board of Managers, through inaction or otherwise pursuant to this paragraph, shall be subject to regulation by the Condominium as to any one or more of the following aspects of construction:

a) time periods during which work is permitted;
b) the manner in which construction debris will be handled;
c) measures which must be taken to prevent compromising security of the building during construction;
d) the interruption of services during construction; and
e) liability insurance and worker's compensation for contractors during construction.

No work shall commence until all permits required by the City of New York and all insurance certificates required by the Managing Agent acting on behalf of the Board of Managers, are provided to the Managing Agent. Additionally, all electrical and plumbing work shall be done by licensed contractors.

The provisions of this Section 13 which require the consent of the Board of Managers in connection with a structural addition, alteration or improvement or which affect the exterior of the Building or the value of other Units shall not apply to Units owned by the Sponsor or its designee and shall not apply with respect to any Limited Common Element for which the Sponsor or its designee has exclusive use. Sponsor or its designee shall not need such consent with respect to such Unit or Limited Common Element. All other provisions of this Section 13 shall apply to all Units. For example, with respect to any structural addition, alteration or improvement to a Sponsor-owned Unit, such work shall be at the sole cost and expense of the Sponsor and/or its designee, as the case may be, and be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances. All work must be done by reputable contractors with adequate liability, property damage and workmen's compensation insurances (certificates for which shall be delivered to the Managing Agent acting on behalf of the Board of Managers prior to the commencement of construction). Any Sponsor or Sponsor-designee additions, alterations or improvements, shall be maintained in their entirety by said Sponsor or its designee, as the case may be, who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary, due to additional stresses caused by any structural alteration, addition or improvement, or due to improper design or construction of any structural alteration, addition or improvement. Additionally, the Sponsor and/or its designee as the case may be, shall reimburse the Board of Managers any out-of-pocket expenses incurred by the Board of Managers in connection with any services provided to such alteration, addition or improvement.

Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers.

Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to

his, or their Unit(s) and appurtenant Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in this section of the By-Laws; (ii) to any contractor, subcontractor, material man, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Unit(s) and appurtenant Common Elements, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

In addition to the requirements set forth above in this section of the By-Laws, until a permanent Certificate of Occupancy is obtained for the Building, no Unit Owner shall make any alteration in or to its Unit without first notifying the Sponsor or its designee in writing and complying with the Sponsor's or its designee's reasonable requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

a. such work not include any change that would result in a delay in obtaining a temporary certificate of occupancy for the Building, or any amendment to, or extension of, the Certificate of Occupancy if theretofore issued;

b. the Unit Owner posts a bond or other similar security that is acceptable to the Sponsor or its designee in any amount sufficient (in the Sponsor's or its designee's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the work with all governmental authorities having jurisdiction;

c. such work not be commenced until the 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 the Sponsor or its designee;

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. the Sponsor or its designee and representatives of same 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 work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and the Sponsor or its designee shall be given a copy of all such inspections, approvals, notices and certifications;

g. the Unit Owner shall indemnify and hold the Sponsor and its designee 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 the Sponsor or its designee due to any violation of or due to any delay in obtaining a permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the Certificate of Occupancy if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

h. all contractors shall be duly licensed to the extent required by applicable law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of the Sponsor or its designee, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of the Sponsor in connection with the alterations, the Sponsor shall be entitled to cause such work by the Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers until the Unit Owner complies with the same. During the period until such Unit Owner is permitted hereunder to resume its work, the Sponsor or its designee shall have the right to perform any and all work in and to such Unit Owner's Unit as shall be necessary, in the Sponsor's sole judgment or sole judgment of its designee, 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 Certificate of Occupancy if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by the Sponsor or its designee shall be borne by such Unit Owner and shall be paid to the Sponsor within fifteen (15) days of the Sponsor's written demand therefor or the written demand of Sponsor's designee.

Section 14. Use of Common Elements and Facilities. A Unit Owner shall not place or cause to be placed in the public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind other than a doormat in front of the entrance to his or her Unit. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-designee shall have the right to use the Common Elements, without charge, for the purposes set forth in Section 11 of this Article VI. The owner of any two Residential Units, which Units are the only Units serviced or benefited by any General Common Element adjacent or appurtenant to such Units (for example, the portion at the end of any hallway that is directly adjacent to any such Unit located on opposite sides of such hallway) will, with the consent of the Board of Managers (which consent will not be unreasonable withheld or delayed), have the right to use such General Common Elements exclusively, 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 or reallocation of Common Interests will be made by reason thereof. In such an event, however, such owner shall, at his or their sole cost and expense, both (i) operate, maintain and repair such General Common Element for so long as such owner exercises such exclusive right of use and (b) restore such Common Element to its original condition,

reasonable wear and tear excepted, after such owners or owners cease to exercise such exclusive right of use.

Section 15. Right of Access. Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent or to any other person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to his Unit and its appurtenant Common Elements, if any, for the purposes of:

a. making inspections of, or removing violations noted or issued by any governmental authority against the Common Elements or any other part of the Property;

b. curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements;

c. performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

d. reading, maintaining, or replacing utility meters relating to the Common Elements to his Unit, or to any other Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units and their appurtenant Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

Each Unit Owner shall grant a right of access to his Unit, including a terrace, or other Limited Common Element, if any, and its appurtenant Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to the Sponsor, Sponsor-designee and its contractors, subcontractors, agents and employees for the purpose of fulfilling the Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Common Elements, if any, for their permitted purposes.

Section 16. Rules of Conduct. Rules and regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. A majority vote of Unit Owners at a meeting may overrule the Board. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board

of Managers are annexed hereto and made a part hereof as Schedule A. Notwithstanding this provision, for as long as Sponsor or its designee remains the Owner of one or more Units, the Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect Sponsor or its designee without Sponsor's prior written consent.

Section 17. Water Charges and Sewer Rents. Water shall be supplied to all of the Units and the Common Elements through one or more building meters or pursuant to a frontage charge and, the Board of Managers shall pay, as a Common Expense, all charges for water consumed by the Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. Any water and sewer bills received by a Unit Owner shall immediately be rendered to the Board of Managers for payment. In no event shall the Board of Managers be responsible for loss of service to any Unit, interest or penalties, due to a delay in paying such bills resulting from a Unit Owner not tendering a bill. Any interest or penalties due for such late payments will be an additional assessment to be paid by the Unit Owner who failed to timely tender any bill. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the Purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Unit as of the date of closing of title to such Unit, promptly after such charges shall have been billed.

Section 18. Electricity and Gas. Electricity shall be supplied by the public utility company serving the area directly to each Unit through separate meters and each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit. The electricity serving the Common Elements shall be metered by one or more meters, and the Board of Managers shall pay the bills for such consumption as a Common Expense. Gas service to each Unit for cooking shall be metered by one or more meters and shall be paid by each such respective Unit Owner. Heating and hot water costs for individual Units shall be paid by each such respective Unit Owner.

Section 19. Vault Charges. All license fees and all periodic taxes and charges for street vaults, if any, or other protrusions beyond the lot line shall be paid by the Board of Managers to the City of New York as a Common Expense.

Section 20. Real Estate Taxes. Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Board of Managers shall promptly pay such taxes as a Common Expense. The Condominium Board shall obtain the funds to pay such real estate taxes pursuant to the terms of the Offering Plan. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Board of Managers is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the closing of title to such Unit.

Section 21. Review of Real Estate Tax Assessments. At each Unit Closing the new Unit Owner shall execute a Unit Owner's Power of Attorney, which among other things gives a power of attorney to the Board of Managers to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to all Units in the Condominium, including retaining counsel and taking any other actions which the

Board of Managers deem appropriate. Notwithstanding the foregoing, if proceedings are pending for the reduction of real estate taxes on the land and building for the tax year in which the First Unit Closing occurs, the Condominium will continue such proceedings with the attorney previously employed by the Sponsor. Sponsor shall have the sole right to negotiate and settle all claims in connection with said proceedings. The cost of such proceedings, including legal fees, and (in the event taxes are reduced) any refund shall be apportioned between the Sponsor and the respective Unit Owners according to the ownership of the Property during respective portions of the tax year. Any refund covering a period prior to the First Unit Closing and all expenses incurred in connection with the obtaining of such refund, shall belong to and be incurred by the Sponsor alone.

ARTICLE VII

MORTGAGES

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges. The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium, at reasonable times, upon reasonable notice to the manager, managing agent or Board of Managers on business days.

ARTICLE VIII

SALES, LEASES AND MORTGAGES OF UNITS

Section 1. Sales and Leases. No Unit Owner other than the Sponsor or Sponsor-designee may sell or lease his Unit or any interest therein except by complying with the provisions below. Sponsor or Sponsor-designee need not comply with such provisions. Sponsor or Sponsor-designee all have the right, without the payment of any fees or charges to the Board of Managers or the Managing Agent, to sell its Unit(s) or lease its Unit(s), without the Board of Managers having any right of first refusal to purchase or lease such Unit, and all sale and/or rental proceeds shall belong solely to such Sponsor or Sponsor-designee as the case may be. However, any deed or lease made by

a Sponsor or Sponsor-designee with respect to a Unit as grantor or lessor, in the Building, shall provide that acceptance thereof by the grantee or lessee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as same may be amended from time to time.

Except as provided above, any Unit Owner who receives a bona fide offer for the sale of his Unit together with: (i) the undivided interest of the Common Elements and any Limited Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; (iii) the interest of such Unit Owner in any other assets of the Condominium; as defined in the Declaration, (hereinafter collectively called the "Appurtenant Interests"), or a bona fide offer for a lease of his Unit; (hereinafter called an "Outside Offer"), which he intends to accept, shall give notice by certified or registered mail to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Board of Managers, or its designee, corporate or otherwise, on behalf of the Owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers on behalf of the other Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within twenty (20) days after receipt of such notice, the Board of Managers may elect, by notice given within five (5) days after making such election, and in any event, within said twenty (20) day period, to such Unit Owner, by certified or registered mail, to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium in accordance with the terms of such offer but in no event less than forty-five days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner, if such Unit, together with the Appurtenant Interests, is to be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers, or to its designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or its designee fail to notify the offering Unit Owner of its decision to accept such offer within twenty (20) days after receipt of notice as aforesaid or notify the offering Unit Owner within said period of its decision not to accept such offer, the offering Unit

Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, within thirty (30) days after the expiration of the twenty (20) day period in which the Board of Managers or its designee might have accepted such offer, to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer. Any such deed to any Outside Offeror shall provide that acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, and that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers, and that the Board of Managers 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 default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease for Residential Units shall be the then current form of apartment lease recommended by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers. In the event the offering Unit Owner shall not, within such thirty (30) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease his Unit within such thirty (30) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the same or another Outside Offeror on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VIII.

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

Section 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners.

Section 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest or interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of Managers, in which event the Unit, together with the Appurtenant Interests, may be sold, conveyed, or leased, free and clear of the provisions of such section.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner, or have been duly waived by the Board of Managers and the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers in favor of all persons who rely thereon in good faith. Such certificates shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VIII or in respect to whom the provisions of such section have been waived, upon request.

Section 6. Financing of Purchase of Units by Board of Managers. Acquisition or lease of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be made from the working capital and Common Charges in the possession of the Board of Managers, or, if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner, other than the offering Unit Owner, in proportion to his ownership in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Section 6 and 7 of Article VI, or, the Board of Managers, in its discretion, may borrow money to finance the acquisition or lease of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired by the Board of Managers. Notwithstanding the above, no assessment may be levied under this Section 6 against any mortgagee who has acquired title to a Unit, whether by foreclosure or deed in lieu thereof.

Section 7. Exceptions. The provisions of Section 1 of this Article VIII shall not apply with respect to any sale or conveyance or lease by a Unit Owner of his Unit, together with the Appurtenant Interests, to his spouse or to any of his children or to his parent or parents or to his brothers or sisters, or any one or more of them, or to a trust for the benefit of any family member or to any Unit owned by the Sponsor, or Sponsor-designee to the acquisition or sale of any Unit, together with the Appurtenant Interests, by a mortgagee herein authorized who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. However, the provisions of this section shall apply with respect to any purchaser of a Unit from a mortgagee.

Section 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift or to devise his Unit by will, or to pass the same by intestacy, without restriction.

Section 9. Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or its Designee, on Behalf of All Unit Owners as Tenants in Common. In the event that a Unit shall be acquired by the Board of Managers, 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 Unit.

Section 10. Payment of Common Charges and Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 11. Mortgage of Units. No Unit Owner shall mortgage his Unit, except by a first and/or second mortgage made to a bank, Institutional Lender, trust, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender, a family member, business associate or employer or a purchase money mortgage made to the Sponsor, Sponsor-designee, or to the seller of the Unit. Any such mortgage shall be substantially in the form on file with the Board of Managers, except for such changes or additions as may be required in order to permit the particular institutional lender to make the mortgage loan, or to the extent permitted by the Board of Managers. A mortgage may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, prior to the Sponsor's relinquishing control of the Board of Managers, or the Board of Managers, subsequent to the release of control by the Sponsor. Such approval shall be in the sole and absolute discretion of Sponsor or the Board of Managers as the case may be. Prior to or simultaneously with the closing of any mortgage, the Unit Owner must satisfy all arrearages for unpaid Common Charges or assessments and discharge any liens therefor.

Section 12. Fees and Charges. The Board of Managers shall have the right to require the Unit Owner who is selling or is a prospective lessor to pay a fee to the Board of Managers and/or the Managing Agent to cover reasonable legal and other expenses of the Board of Managers and the Managing Agent in connection with the sale or lease of a Unit pursuant to the provisions of this Article VIII except such charges and fees shall not apply to a sale or lease of any Unit by a Sponsor, a member of the Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor. Any other fees in connection with the sale or lease of a Unit may only be enacted by action of Unit Owners, except any such fee shall not apply to a sale or lease of any Unit by a Sponsor, a member of the Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor.

ARTICLE IX

CERTAIN REMEDIES

Section 1. Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit or its appurtenant Limited Common Elements pursuant to the terms of Article VI hereof, and shall fail to cure such violation or breach within five days after receipt of written notice of the same from the Board of Managers, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Board of Managers shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited

Common Elements and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Board of Managers shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Board of Managers may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 2. Abatement and Enjoinment.

a. In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Board of Managers shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

b. The violation or breach of any of the terms of the Condominium Documents with respect to any of the rights, easements, privileges, or licenses granted to Sponsor or its designee shall give to Sponsor or such designee the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 3. Remedies Cumulative. The remedies specifically granted to the Board of Managers or to the Sponsor or its designee in this Article IX or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Board of Managers or Sponsor or such designee, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 4. Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Board of Managers in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 1 or paragraph (a) of Section 2 hereof or (ii) Sponsor in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (b) of Section 2 hereof, shall be immediately payable by such Unit Owner to the Board of Managers in the event set forth in subparagraph (i) hereof or by the offending party (i.e., the Board of Managers or the Unit Owner) to Sponsor, in the event set forth in subparagraph (ii) hereof, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month, but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law. All sums payable by a Unit Owner to the Board of Managers pursuant to the terms of this Section 4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE X

CONDEMNATION

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to $100,000.00 or less, and to the Insurance Trustee, if any, if such award amounts to more than $100,000.00. If seventy-five percent (75%) or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five percent (75%) or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Element, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

If a Unit or portion of any Unit shall be taken in condemnation or by eminent domain and the Condominium shall not be terminated, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements after such taking bear to the total floor area of such Unit and its appurtenant Limited Common Elements prior to such taking. The Board of Managers shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and Lienors, the same may execute a consent to such amendment in recordable form). Following the taking of a Unit or a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of a taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Board of Managers and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

ARTICLE XI

RECORDS

Section 1. Records and Audits. The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the

amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. In addition, it is the obligation of the Board of Managers of the Condominium to give to all Unit Owners annually, the following:

(a) The financial statement of the Condominium prepared by a certified public accountant or, public accountant by March 15th of each calendar year for the prior fiscal year;

(b) Prior notice of the annual Unit Owner's meeting;

(c) A copy of the proposed annual budget, if any, of the Condominium, within ten (10) days prior to the date set for adoption thereof by the Board of Managers.

Upon written request made to the Board of Managers or the Managing Agent, the annual financial statement of the Condominium shall be made to the holder, insurer or guarantor of any first mortgage securing a Unit in the Building.

ARTICLE XII

MISCELLANEOUS

Section 1. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 3. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 4. Waiver. No restriction, condition, obligation, or provision contained in these By-Laws, shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee. The Insurance Trustee, if selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers. In the event that the Insurance Trustee shall resign, the new Insurance Trustee shall also be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers. The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense of the Condominium.

Section 6. Definition of "Mortgagee". As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" shall include the holder of any construction loan mortgage which shall be a lien on a unit.

ARTICLE XIII

AMENDMENTS TO THE BY-LAWS

Section 1. Amendment to By-Laws. These By-Laws may be modified or amended by the vote of 66 2/3% in number and in Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose. However, for as long as Sponsor or its designee remains the Owner of one or more Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be amended or modified in any way so as to adversely affect Sponsor or its designee, in Sponsor's sole discretion without the prior written consent of Sponsor or its designee. No amendment may change the percentage of Common Interests allocated to any Unit or Units without the written consent of such Owner.

ARTICLE XIV

CONFLICTS

Section 1. Conflicts. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XV

FURTHER ASSURANCES

Section 1. General. Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person, requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either 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.

Section 2. Failure to Deliver or Act. If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner is required to

execute, acknowledge and deliver or to take pursuant to these By-Laws, then The Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, 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 Person, and such document or action shall be binding on such Unit Owner or other Person.

If The Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor, then the Sponsor is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

SCHEDULE A

RULES AND REGULATIONS OF WASHINGTON CONDOMINIUM

1. The Residential Units may be used only for private residential use, except that a Residential Unit Owner may use his or her Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Units may also be used as professional offices by a resident thereof provided such professional use does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use is obtained. In the event that any Residential Unit shall be used for home occupation or professional purposes in conformity with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any public hallway. No illuminated or other sign may be used in connection with the aforementioned use, excepting only a professional sign, non-illuminated, not larger than the size permitted by the Board of Managers.

2. Except as set forth above and herein, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Units or Common Elements, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right, however, is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent" or "For Lease" or similar signs on any unsold or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one (1') foot by two (2') feet. Additionally, the right is reserved by Sponsor and its designee, to maintain and staff one or more vacant and unsold Units in the Building as a sales office and/or model Units. Sponsor and its designee shall have the right to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building without regard to size. Sponsor or its designee shall be responsible for installing and removing such signs.

3. There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, stairways, or fire towers of the Building, except in any recreational areas, if any, or other areas designated as such in the Declaration or by the Condominium Board.

4. Except as elsewhere provided, no exterior of any Unit, including the windows or doors thereof or any other portions of the Common Elements shall be painted or decorated by any Owner in any manner without prior written consent of the Board of Managers or except as provided in the By-Laws.

5. No personal articles (including, but not limited to, garbage cans or bottles) and no furniture, artwork or equipment shall be placed or stored in entrances, hallways, stairways, or other Common Elements which are not limited to the exclusive use of a specific Unit Owner. No Unit Owner shall change or alter in any way the design, layout, color scheme or furnishings in entrances, hallways, stairways or other Common Elements, which are not limited to the exclusive use of a specific Unit Owner. Notwithstanding the foregoing, a Unit Owner has the right to change the lock on the door to his Unit or to add an additional lock, provided that such lock conforms in color with the other lock or locks.

6. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or its appurtenant Limited Common Elements or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner 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, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency. No jackhammering shall be permitted without prior written approval of the Board of Managers.

7. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows of a Unit, any dirt or other substances. No clothes, sheets, blankets, or other articles of any kind shall be hung or shaken from any doors, windows, open terraces or open balconies, or placed upon the window sills of the Building.

8. No exterior shades, awnings, window guards, ventilators, decorations, fans or air-conditioning devices shall be used on or about the Building or Common Elements except such as shall have been approved by the Board of Managers or as required by law.

9. Except as provided above, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of the Building, except such as shall have been approved in writing by the Board of Managers, nor shall anything be projected out of any window of the Building without similar approval.

10. All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers and/or City of New York may direct. Unit Owners shall be responsible for complying with all applicable recycling laws pertaining thereto.

11. Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

12. No Unit Owner shall engage any employee of the Condominium for any private business of the Unit Owner without prior written consent of the Board of Managers.

13. One dog and/or one cat and any replacement thereof shall be permitted without consent of the Board of Managers. Subject to that exception, no bird or other animal shall be kept or harbored in the Building unless the same in each instance be expressly permitted in writing by the Board of Managers. Any such consent, if given, shall be revocable at any time by the Board of Managers. In no event shall dogs be permitted in any of the public portions of the Building or Property unless carried or on a leash. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and hold it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of the Unit Owner having any animal in the Building. 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 adjacent to the Building.

14. No radio or television aerial or dish shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units.

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

16. The Board of Managers or the Managing Agent shall retain a pass-key to each Unit. If Sponsor or the Board of Managers must gain access to a Unit for emergency purposes and a Unit Owner has not furnished a key to the Board of Managers as provided in this paragraph, then the affected Unit Owner shall be liable and responsible for any damage to the Common Elements or such Unit caused by Sponsor or the Board of Managers in gaining access to such Unit. Furthermore, if the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium

or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

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

18. No Unit Owner or any visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in any mechanical equipment area without the express permission of the Board of Managers.

19. All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

20. No Unit Owner shall interfere in any manner with any portion of any equipment and/or fixtures which are part of the Common Elements and not part of the Unit Owner's Unit, unless same are the property of the Unit Owner or a Limited Common Element of the Unit Owner.

21. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his family members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit or Limited Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance.

22. Except as provided above, no Unit Owner shall be allowed to put his or her name on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

23. Any damage to the Building or equipment caused by Unit Owners, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

24. Complaints regarding the management of the Building or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

25. No Unit shall be used or be occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners of adjoining Units.

26. Certain parts of the Common Elements are intended for use for the purpose of affording pedestrian movement within the Condominium and of providing access to the Units. No part of the Common Elements shall be obstructed as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage or where specifically designated as such; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

27. No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

28. Smoke detectors must be installed in every Residential Unit as required by New York City Building Code. It is the obligation of the Unit Owner to maintain the alarms and to make certain the units are in working order at all times.

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

30. The entrances, passages, public halls, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a family member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from, the Building by another vehicle.

31. No group tour or exhibition of any part of a Residential Unit or its contents shall be conducted nor shall any auction sale be held in any part of a Residential Unit without the consent of the Board of Managers or the Managing Agent in each instance.

32. Plantings on any terrace or balcony shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches from the terrace or balcony surface, and, if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such terrace or balcony, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the

Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings. The size of such plants shall be subject to the consent of the Board of Managers.

33. The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

34. The cost of maintenance and repair of the sidewalks and adjacent curbs, including keeping them free from snow, ice, dirt and rubbish shall be the responsibility of the Condominium. Any fees or fines assessed or levied for failure to properly keep the sidewalks and adjacent curbs free from snow, ice, dirt and rubbish and to otherwise properly maintain and repair curbs shall be the responsibility of that entity with the obligation of such maintenance and repair.

35. Unit Owners and their guests may walk on their terraces and/or roof terraces. No Unit Owner may place any objects directly upon the surface of a roof terrace nor shall any structure be built or placed upon the roof terrace without prior written consent of the Board of Managers. Consents required for additions, alterations or improvements by Unit Owners are set forth in Article VI, Section #13 of the By-laws. Any terrace and/or roof terrace repairs to be made by a Unit Owner shall require prior written approval of the Board of Managers.

36. The Rules and Regulations govern the use of the Units and Common Elements and may be amended from time to time by the Board of Managers. However, no amendment of the Rules and Regulations shall be applicable to any Unsold Unit unless agreed to by Sponsor or Sponsor-designee, as the case may be.

37. Any consent or approval given under the Rules and Regulations of the Condominium may be amended, modified, added to, or repealed at any time by resolution of the Board of Managers. Further, any such consent or approval may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature.

In July, 1998, Governor Pataki signed into law the repeal of subdivision 2-d of section 352-e of the General Business Law ("GBL") and signed into law GBL Section 352-L and Real Property Law ("RPL") Section 339-kk. GBL Section 352-L pertains to cooperatives. RPL Section 339-kk pertains to condominiums.

In summary, RPL Section 339-kk provides that if a non-occupying owner fails to pay in full, within sixty (60) days after the expiration of any grace period, any common charges, assessment or late fees due for his or her unit, then the Board of Managers shall provide written notice to the tenant and the non-occupying owner stating that the tenant is to forthwith commence paying rent directly to the Condominium Association. The Board may elect not to send such notice if a majority of the Board is elected from unit owners who are in occupancy of their units. Payments of rent directly to the Board shall continue until the non-occupying owner once again becomes current with respect to common charges, assessments and late fees to the Board of Managers.

A text of RPL Section 339-kk appears below.

3. The real property law is amended by adding a new section 339-kk to read as follows:

' 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.

(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES FOR SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION OF ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.

(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE 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.

' 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

' 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

Form **W-9**
(Rev. November 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ ..... ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.) | Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
			-			-		

or

Employer identification number
			-					

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ▶ Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

• The U.S. grantor or other owner of a grantor trust and not the trust, and

• The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the Instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

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

THIS PAGE INTENTIONALLY LEFT BLANK

CERTIFICATION BY SPONSOR
PURSUANT TO SEC.20.4(b)
OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED

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

Attn: Real Estate Financing Bureau

Re: 449 Washington Street
New York, New York 10013

The undersigned certify as follows:

We are the Sponsor and principal of 449 Washington LLC, the Sponsor of the Condominium Offering Plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General 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 making this certification. We jointly and severally certify that the offering plan does, and that all documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where 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 representations or statements 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 and Penal Law.

449 Washington LLC

Sworn to before me this
4 day of Jan, 2013
James R. Bennett
Notary Public

JAMES R. BENNETT
Notary Public, State of New York
No. 02BE4636535
Qualified in Nassau County
Commission Expires Aug. 31, 2014

By: _____
Gizman Abbas

PRINCIPALS OF SPONSOR:

Sworn to before me this
4 day of Jan, 2013
James R. Bennett
Notary Public

JAMES R. BENNETT
Notary Public, State of New York
No. 02BE4636535
Qualified In Nassau County
Commission Expires Aug. 31, 2015

_____
GIZMAN ABBAS

ISHAC DESIGN ARCHITECTS PC (212)947-2878 Fax(212) 760-2320

247 West 35th Street, Suite 701, New York, NY 10001
Email:Ishacdesign@pipeline.com

Certification By Sponsor's Engineer or Architect Pursuant To Section 20.4 (c) of The Regulations Issued Pursuant to General Business Law, Article 23A As Amended.

May 21, 2013

New York State Department of Law
120 Broadway
23rd Floor
New York, New York
Attn; Real Estate Financing Bureau

Re: 449 Washington Street
New York, New York

The Undersigned, A Registered Architect in New York State, certifies as follows:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction and/or renovation of the property ("The Report"). We visually inspected existing portions of the renovated if any, on July 30, 2012 and we examined the building plans and specifications that were prepared by Ishac Design Architects PC, dated August 15, 2012 and prepared the report dated 21st December 2012, a copy of which is intended to be incorporated into the offering plan so that prospective purchases may rely on the report. I am a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this report.

We have read the entire report and investigated the facts set forth in the report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the report:

i. sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and/or construction, provided the renovation and/or 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 renovation and/or construction provided the renovation and/or 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 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 circumstance;

vii. does not contain any representation or statement which is false, where we:

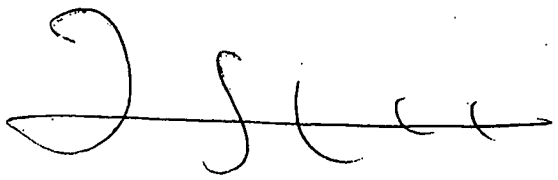
a) knew the truth;

b) with reasonable effort could have known the truth, or

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 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.



Nabil Ishac RA

Sworn to before me this
21st day of May, 2013



Notary Public

EUNHYANG CHO, ESQ.
Notary Public, State of New York
No. 02CH6119454
Qualified in New York County
Commission Expires 11-29-2016

BOSSE

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET PURSUANT TO 13 NYCRR 20.4 (d)

April 11, 2013

New York State Department of Law
120 Broadway, 23rd Floor
New York, N.Y. 10271
Attn: Real Estate Financing Bureau

Re: 449 Washington Street
New York, New York

The undersigned Michael Pligavko certifies as follows:

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedules B and B-1 containing projections of income and expenses for the first year of condominium operations.

We have over twelve years of experience in the field, including the management of residential condominiums similar to 449 Washington Street. Examples of similar residential condominiums we manage include:

The Pearline Soap Atelier Condominium at 78 Laight Street, New York, NY 10013
The Fairchild & Foster Condominium at 415 Washington Street, New York, NY 10013 &
131 Watts Street Condominium at 131 Watts Street, New York, NY 10013

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, Part 20 insofar as they are applicable to Schedules B and B-1.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of Condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of Condominium operation;
(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
(iii) do not omit any material fact.
(iv) do not contain any untrue statement of material fact;
(v) do not contain any fraud, deception, concealment or suppression;

BOSSE

(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 I/we:

(a) knew the truth

(b) with reasonable effort could have known the truth

(c) made no reasonable effort to ascertain the truth, or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subjected to the civil and criminal penalties of the General Business and Penal Law.

Very truly yours,

BOSSE Property, LLC

By: _____

Michael Pligavko
Principal

Sworn to before me this

11 day of April, 2013

VICTOR J DEANS
Notary Public - State of New York
NO. 01DE6254149
Qualified in Kings County
My Commission Expires 01/02/16



COUNSEL PRESS
460 WEST 34TH STREET, NEW YORK, NEW YORK 10001
(212) 685-9800; (716) 852-9800; (800) 4-APPEAL
www.counselpress.com
(245590)