THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP

CONDOMINIUM OFFERING PLAN

FOR THE RESIDENTIAL UNIT OF

101 WEST 78 CONDOMINIUM

101 WEST 78TH STREET
NEW YORK, NEW YORK 10024

	Price to Tenants[1]	Price to Non-Tenants
28 Residential Units	**$12,492,000**	**$124,416,500**
18 Storage Lockers		**$639,000**
Total Offering Amount	**$12,492,000**	**$125,055,500**
Reserve Fund [2]	**$249,840**	**$1,031,840**

The Condominium will also include a Non-Residential Unit which is not being offered for sale at this time.

(1) See Section entitled "Rights of Existing Tenants" for a discussion of the rights of tenants to buy the Residential Units they occupy during the first 90 days of this offering and Schedule A.

(2) This is an estimate of the minimum amount under the first alternative under the Reserve Fund Law after crediting Sponsor with a 1% capital replacement credit. The actual amount cannot be determined until the Plan is declared effective. See Section of Plan entitled "Reserve Fund" for additional information.

SPONSOR:	SALES CENTER:	SELLING AGENT:
101 West 78th LLC **45 Rockefeller Plaza, 31st Floor** **New York, New York 10111**	**101 West 78th Street** **New York, New York 10024**	**Brown Harris Stevens** **445 Park Avenue, 12th Floor** **New York, New York 10022**

Filing Date of this Offering Plan: February 9, 2016. This Offering Plan may not be used after February 8, 2017, unless this Offering Plan is extended by amendment.

This Offering Plan contains Special Risks to Purchasers. See Page 1.

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

THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS OFFERING PLAN AND TO FILE THIS OFFERING 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 OF LAW OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

TABLE OF CONTENTS

PART I

SECTION	PAGE
SPECIAL RISKS	1
INTRODUCTION	24
DEFINITIONS	35
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	44
LOCATION AND AREA INFORMATION	51
SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION	53
SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION	61
SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET	75
REAL PROPERTY LAW SECTION 339-I COMPLIANCE LETTER	87
NON-RESIDENTIAL UNIT	90
CHANGES IN PRICES AND UNITS	94
ACCOUNTANT'S CERTIFIED STATEMENTS OF OPERATION	97
RIGHTS OF EXISTING TENANTS	119
OBLIGATIONS OF PURCHASERS OF RESIDENTIAL UNITS OCCUPIED BY NON-PURCHASING TENANTS	122
USE AND OCCUPANCY AGREEMENTS	124
PROCEDURE TO PURCHASE	125
ESCROW AND TRUST FUND REQUIREMENTS	131
ASSIGNMENT OF PURCHASE AGREEMENTS	136
EFFECTIVE DATE	137
TERMS OF SALE	140
CLOSING COSTS AND ADJUSTMENTS	144
RIGHTS AND OBLIGATIONS OF SPONSOR	151
CONTROL BY SPONSOR	159
CONDOMINIUM BOARD	161
RIGHTS AND OBLIGATIONS OF UNIT OWNERS	163
RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS	174
REAL ESTATE TAXES	181
INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM	184
OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-I	187
ATTORNEY'S INCOME TAX OPINION	191
OPINION OF COUNSEL RE: REAL ESTATE TAX PROJECTION	197
WORKING CAPITAL FUND AND APPORTIONMENTS	206
RESERVE FUND	208
MANAGEMENT AGREEMENT	211
IDENTITY OF PARTIES	213
SPONSOR'S PROFIT	216
REPORTS TO UNIT OWNERS	217
DOCUMENTS ON FILE	217
GENERAL	218
SPONSOR'S STATEMENT OF BUILDING CONDITION	219

PART II

DESCRIPTION OF PROPERTY AND BUILDING CONDITION 223
LOCAL LAW 11 REPORT 273
ASBESTOS REPORT 285
FLOOR PLANS 313
PURCHASE AGREEMENT 353
UNIT DEED 399
USE AND OCCUPANCY AGREEMENT 407
STORAGE LOCKER LICENSE 415
ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE 421
AMENDED AND RESTATED DECLARATION OF CONDOMINIUM 425
AMENDED AND RESTATED BY-LAWS OF THE CONDOMINIUM 465
UNIT POWER OF ATTORNEY 531
RESIDENTIAL UNIT OWNER'S SPECIMEN TITLE POLICY 535
FORM W-8 (CERTIFICATION OF FOREIGN STATUS) 547
FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER) 551
ESCROW AGREEMENT 555
CERTIFICATION OF SPONSOR AND PRINCIPALS 565
CERTIFICATION OF ARCHITECT 569
CERTIFICATION OF BUDGET EXPERT 573
CERTIFICATION OF BUDGET EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE NON-RESIDENTIAL UNIT OWNER 577
GENERAL BUSINESS LAW SECTION 352-EEEE 581
REAL PROPERTY LAW SECTION 339-KK 589
LOCAL LAW 70 – RESERVE FUND LAW 593
PROTECTING YOUR FAMILY FROM LEAD IN YOUR HOME 599
TENANT PROTECTION PLAN 617
FORM OF ACCESS AGREEMENT 629
FORM OF TEMPORARY VACATE/ACCESS AGREEMENT 637
FORM OF TEMPORARY RELOCATION AGREEMENT 645
FORM OF SURRENDER AGREEMENT 655

PART I

CONDOMINIUM OFFERING PLAN

101 WEST 78 CONDOMINIUM
101 WEST 78TH STREET
NEW YORK, NEW YORK 10024

SPECIAL RISKS

Purchase of a Condominium Unit

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

(b) At the time Purchaser executes a Purchase Agreement, all Purchasers will be required to deliver an Initial Deposit in an amount equal to 10% of the Purchase Price. Purchasers will be required to deliver an Additional Deposit in an amount equal to (i) 10% for tenant Purchasers and (ii) 15% for non-tenant Purchasers (as applicable) of the Purchase Price before the earlier to occur of (A) 6 months after the date on which the Purchase Agreement is executed, or (B) 15 days after the Presentation Date of the amendment declaring the Plan effective. Notwithstanding the foregoing, any Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% (for tenant Purchasers) or 25% (for non-tenant Purchasers) of the Purchase Price (as applicable).

(c) Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Residential Units offered for sale (i.e., 5 Residential Units based on 28 Residential Units offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Residential Units with fewer than the minimum number of sales if Purchasers counted towards effectiveness do not ultimately close title to Residential Units. Among other requirements, Non-Tenant Purchasers must represent that they intend that they or one or more specified Family Members will occupy the Unit after the Closing or when the Unit becomes vacant. When executing a Purchase Agreement, all Non-Tenant Purchasers must also execute a Bona Fide Purchaser Statement of Purchase, the form of which is appended to the Purchase Agreement in Schedule B.

(d) To declare the Plan effective, 15% of Purchasers must be "bona fide," which is defined as: (i) a tenant in occupancy on the date the Plan is declared effective or (ii) a Purchaser who represents that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant. For purposes of effectiveness, the purchase of contiguous Units (i.e. Unit combinations) shall be treated as one Unit. Notwithstanding the foregoing, the purchase of non-contiguous Units by one Purchaser for more than one Bona Fide Tenant or Bona Fide Purchaser (e.g. one Unit for parents and one for adult child) shall be treated as individual Units for effectiveness purposes.

In connection with the Plan being declared effective, the New York State Department of Law ("Department of Law") requires an affirmative representation from each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser as a part of the Department of Law's investigative process. Each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser will be required to execute either an affidavit entitled "Affidavit of Bona Fide Tenant Purchaser For Purposes of Declaring Offering Plan Effective" or "Affidavit of Bona Fide Non-Tenant Purchaser For Purposes of Declaring Offering Plan Effective", as applicable (each a "Purchaser Affidavit"). A copy of each Purchaser Affidavit is annexed to the Purchase Agreement set forth in Part II of the Plan. The Purchaser Affidavit must be executed and returned by Purchaser together with the executed Purchase Agreement. To the extent the Department of Law or Sponsor requires that the Purchaser Affidavit be re-executed thereafter, Purchaser shall have five (5) days to re-execute and return an original to Sponsor. A Bona Fide Tenant Purchaser and a Bona Fide Non-Tenant Purchaser may also be required to submit to the Department of Law additional information concerning the intended occupancy of the Residential Unit which is the subject of the Purchase

Agreement and otherwise cooperate with the Department of Law's inquiry into the intended occupancy of the Residential Unit. Any Bona Fide Tenant Purchaser or Bona Fide Non-Tenant Purchaser who fails to (i) execute and return the Purchaser Affidavit (or re-execution thereof) to Sponsor, as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate, will be deemed to have committed an Event of Default (as hereinafter defined) under the Purchase Agreement. Bona Fide Tenant Purchasers and Bona Fide Non-Tenant Purchasers are advised that a default of these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit, as set forth below, or, in the alternative, the right to commence an action for specific performance, in which case the Bona Fide Tenant Purchaser or Bona Fide Non-Tenant Purchaser may be compelled by a court of law to fulfill all obligations concerning the Purchaser Affidavit.

Purchasers are advised to seek the advice of an attorney before executing a Purchaser Affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both Sponsor and Purchaser to both civil and criminal liability.

The Department of Law reserves the right to request additional information from Sponsor and any and all Purchasers used for purposes of declaring the Plan effective. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both Sponsor and Purchaser to both civil and criminal liability.

(e) In the event a Purchaser commits a default of any of the obligations on Purchaser's part to perform under the Purchase Agreement, whether monetary or non-monetary, TIME BEING OF THE ESSENCE with regard to the obligations of Purchaser thereunder, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement; or (ii) seek specific performance. If Sponsor elects to cancel the Purchase Agreement, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) all Deposits and any interest earned thereon and (b) Unit Upgrade Funds. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance (where the Purchaser is a Non-Tenant Purchaser), then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Purchase Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant-Purchaser who purchases the Residential Unit that the Tenant-Purchaser occupied on the Filing Date of the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(f) TIME IS OF THE ESSENCE as to all of Purchaser's obligations under the Purchase Agreement, including, without limitation, for the payment of all Deposits and the Balance of the Purchase Price. According to Black's Law Dictionary (Revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

(g) Under current law, if a Purchaser makes a Deposit in excess of $250,000 for the purchase of a Residential Unit, the amount in excess of $250,000 will not be federally insured. If a Purchaser maintains accounts at the Escrow Bank, the funds in such accounts, together with the Deposit, may be aggregated by the Escrow Bank for purposes of determining the $250,000 federally insured limit. Additionally, until such time as Purchaser delivers either an executed W-9 Form or W-8 Form to Sponsor, the Deposit shall remain in the non-interest bearing portion of the Escrow Account. Until the Deposit is transferred into an interest bearing sub-account, the Deposit may not be federally insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law concerning such accounts. Purchasers should consult with their accountants or financial advisors for further information. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(h) If a Purchaser fails for any reason to close title to the Residential Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to close: (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit for each day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(i) The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Unit, the Storage Lockers, the Building and all Common Elements contained in the Building. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Storage Lockers, the Building or the Common Elements, except as may otherwise be set forth in the Plan. (See the Sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" for details.)

(j) Unit Upgrade Funds will initially be placed in the Escrow Account. However, Purchasers should note that such Unit Upgrade Funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay or reimburse Sponsor for such upgrades or extras. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any Unit Upgrade Funds, except if Sponsor abandons or withdraws the Plan, in which case the Unit Upgrade Funds will be returned to Purchaser. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(k) A Bona Fide Non-Tenant Purchaser who acquired title to the Residential Unit from Sponsor is prohibited under the By-Laws for a period of 12 months from the Closing of the Sponsor sale ("Sponsor Sale") from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale or rental, or (iv) entering into a contract, lease or other agreement for the sale or rental of the Residential Unit or reselling or renting the Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale"). Unless it would constitute a prohibited discriminatory inducement, the prohibitions set forth in (i) through (iv) above may be waived by Sponsor upon the Residential Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" and the By-Laws for further details.)

(l) A Bona Fide Non-Tenant Purchaser who acquired title to the Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale

Agreement") to sell such Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to send Sponsor a copy of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit per the Resale Agreement less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Residential Unit Owner, and (3) actual legal fees not exceeding $3,500, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" for further details.)

Sponsor Control of the Condominium Board

2. (a) Sponsor will have voting control over the Condominium Board until the earlier to occur of: (i) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 51% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 5 years after the First Closing ("Sponsor Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

(b) After the Sponsor Control Period, Sponsor, as owner of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to Residential Units owned by Sponsor, and shall designate no more than 2 Residential Members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Residential Units, and thereafter, 1 Residential Member for so long as Sponsor owns at least 1 Unsold Residential Unit. There is no restriction on the right of Sponsor to vote for Residential Members of the Condominium Board who are not related to, or affiliated with, Sponsor.

(c) During the Sponsor Control Period, Sponsor will designate a majority of the Residential Members and shall have voting control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of or contemplated by the Condominium Board after the Sponsor Control Period. For so long as Sponsor shall continue to own Unsold Residential Units representing at least 25% in aggregate Common Interest of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges, Residential Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not exercise such veto power so as to diminish or eliminate services, facilities or any line items set forth in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to (i) comply with Law or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

(d) See the Sections of the Plan entitled "Control By Sponsor" and "Condominium Board" for details.

Conveyance of Title

3. In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title to the Unit subject to the title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) terminate the Purchase Agreement within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. If Purchaser fails to notify Sponsor of Purchaser's election within 15 days after Sponsor notified Purchaser of Sponsor's failure or refusal to remedy the title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the title defect. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. (See the Section of the Plan entitled "Terms of Sale" for details.)

Sponsor's Rights with Respect to Leasing Rather than Selling Unsold Residential Units

4. (a) Sponsor reserves the right to rent or lease any vacant Unit prior to Closing to the Purchaser thereof or any other Person. After the Plan is declared effective, Sponsor reserves the unconditional right to rent rather than to sell Residential Units as they become vacant without limitation as to duration, frequency or number.

(b) Following the expiration of the Initial Exclusive Purchase Period, Sponsor shall have the right to: (i) sell occupied Units to one or more non-occupant Purchasers for investment or resale; (ii) lease occupied Units to others or (iii) retain vacant Units for future sale or rental. Any such sales are subject to the rights, if any, of Bona Fide Tenants to purchase their Units during a subsequent Exclusive Purchase Period which may be provided in an amendment to the Plan prior to the Effective Date. The Plan may not be declared effective based on Purchase Agreements executed by Purchasers who have not represented that they intend to occupy the Unit when it becomes vacant. (See the Section of the Plan entitled "Effective Date" for details.)

(c) Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or tenants leasing from other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant number of tenants may not be Unit Owners. Owner-occupants may never gain control and management of the Condominium since the By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. 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., purchasing as a home as opposed to as an investment. (See the Section of the Plan entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for details).

(d) Prospective Purchasers should be aware that potentially they may be living with non-purchasing occupants in many of the Units for an indefinite period, depending upon market conditions. In Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants, however, they have no investment in their Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities.

(e) Sponsor reserves the right to sell 10% or more of the Unsold Units ("Bulk Sale") to a Person which assumes the rights and obligations of Sponsor with respect to such Units.

Closing Fees

5. Purchasers shall be required to pay (i) certain closing fees to Attorneys for Sponsor at Closing, and (ii) all New York City Real Property Transfer Tax ("RPT Tax"), New York State Real Estate Transfer Tax ("State Transfer Tax") and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax," imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. The State Transfer Tax is currently equal to $2 per $500 of the bulked up consideration and the RPT Tax is currently equal to 1% of the bulked up consideration where the bulked up consideration is $500,000 or less, and 1.425% where the bulked up consideration is greater than $500,000. See the Section of the Plan entitled "Closing Costs and Adjustments" for details.

Closing Adjustments

6. At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Residential Common Charges for the month in which title closes and (c) rent and any other charges pursuant to a lease or tenancy, if any, covering the Residential Unit. In the event the Units have not been separately assessed and billed to Unit Owners for real estate tax purposes prior to the First Closing, at Closing, each Purchaser will pay a pro rata share with respect to the Property (in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes in a lump sum for the next ensuing tax period and thereafter on a monthly basis to the Condominium as Common Charges. The Condominium will be responsible to pay such real estate taxes either to the New York City Department of Finance or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Residential Unit Owner fails to pay such Residential Unit Owner's pro rata share as set forth above, the Unit Owner shall be deemed in default of the Condominium By-Laws and Sponsor or the Condominium, as the case may be, will have a lien on such Residential Unit for non-payment of Residential Common Charges. At such time as a Residential Unit is separately assessed and separately billed, for real estate tax purposes, the Residential Unit Owner will pay such taxes directly to the taxing authority. (See Schedule A for an estimate of real estate taxes payable during the First Year of Condominium Operation and the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for details.) In addition to the foregoing, all legal costs, fees and expenses charged by Purchaser's attorney shall be the sole responsibility of Purchaser, and Purchaser will also be responsible for payment of certain closing fees payable to Starr Associates LLP. (See the Section of the Plan entitled "Closing Costs and Adjustments.")

No Adverse Changes to Condominium Documents

7. No amendment, modification, addition or deletion of the Declaration, By-Laws or Residential Rules and Regulations shall be effective in any way without the prior written consent of Sponsor (so long as Sponsor owns at least 1 Unsold Residential Unit or has any ongoing obligations under the Plan), the Non-Residential Unit Owner, as the case may be, with respect to any such amendment, modification, addition or deletion which modifies the permitted uses of the Building or any portion thereof (including the Non-Residential Unit) or affecting the rights, privileges, easements, licenses or exemptions retained or granted to Sponsor or the Non-Residential Unit Owner or which otherwise, in the opinion of Sponsor or the Non-Residential Unit Owner, as the case may be, would have the effect of adversely affecting Sponsor or the Non-Residential Unit Owner, as the case may be. (See the

Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for details.)

Non-Residential Unit

8. (a) No assurance, representation, or warranty is made (i) with respect to the future ownership or tenancies of all or any portion of the Non-Residential Unit and (ii) that the owners, tenants, occupants, or other users of the Non-Residential Unit will be agreeable to Residential Unit Owners, their Permitted Users, or any other parties. No assurance, representation, or warranty is made with respect to the uses to which any portion of the Non-Residential Unit may be put at any time. The Non-Residential Unit may be used for any purpose permitted by Law, except for pornography establishments, massage parlors, drug treatment facilities and homeless shelters. The uses of the Non-Residential Unit may generate noise, traffic, fumes, odors, vibrations, or other disturbances over which the Residential Unit Owners will have no control. Residential Unit Owners will not have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in the Non-Residential Unit.

(b) The Non-Residential Unit Owner and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any and without amendment to the Plan to (i) subdivide and/or combine the Non-Residential Unit and/or (ii) change the Non-Residential Unit in size by relocating a boundary wall within the Non-Residential Unit. In the event of a Subdivision, Combination, and/or change in size of the Non-Residential Unit, the Non-Residential Unit Owner shall additionally have the right to reapportion the affected and/ or newly created Non-Residential Units the respective Common Interests appurtenant thereto. Any additional condominium units created as a result of a subdivision of a Non-Residential Unit will retain the same rights, privileges, and benefits afforded the original Non-Residential Unit Owner and will be subject to the same obligations imposed on the original Non-Residential Unit Owner, as set forth in the Condominium Documents. Notwithstanding the foregoing, in the event of a subdivision of the Non-Residential Unit, the Non-Residential Unit Owner shall have the right to designate, collectively, only 1 member to the Condominium Board.

(c) The Non-Residential Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) for the purpose of accessing the Non-Residential Unit or any portion of the Building servicing the Non-Residential Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing the Non-Residential Unit.

(d) In addition to the foregoing, the Non-Residential Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(1) to erect, maintain, repair and replace one or more signs and lighting, of such size and content as the Non-Residential Unit Owner shall determine in the windows of the Non-Residential Unit, including without limitation, any storefronts of the Non-Residential Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Non-Residential Unit or (b) the operation of any business for which the Non-Residential Unit is used.

(2) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, and the Landmarks Preservation Commission (LPC), as applicable, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Non-Residential Unit, including without limitation any storefronts, and (ii) create additional means of egress and ingress to the Non-Residential Unit.

(3) to use the sidewalk adjacent to the Non-Residential Unit for any purposes permitted by Law, including without limitation food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event the Non-Residential Unit Owner utilizes a sidewalk adjacent to the Non-Residential Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Non-Residential Unit Owner.

(e) See the Section of the Plan entitled "Non-Residential Unit" for details.

Foreign Government Purchaser

9. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (.i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to 2 years' Common Charges with respect to the Residential Unit based on the Condominium budget in effect as of the Closing Date of the Residential Unit which will be in addition to the required contribution to the Working Capital Fund. Such amount shall increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Storage Locker Licenses

10. (a) Sponsor is offering a Purchaser of a Residential Unit the opportunity to purchase a Storage Locker for the exclusive use of Purchaser for so long as Purchaser owns a Residential Unit in the Building pursuant to the terms of a license ("Storage Locker License"), the form of which is set forth in Part II of the Plan. Although the Storage Locker Area is a Residential Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Locker Licenses in the Storage Locker Area. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Lockers. Purchasers should note that the Closing of a Storage Locker License does not require the issuance of a TCO or PCO. A Purchaser will be required to consummate the purchase of the Residential Unit and the Storage Locker License simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued to or access may not be available to the Storage Locker Area. In such event, the proceeds from the sale of the Storage Locker License will be held in escrow ("Storage Locker Escrow") by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued and access to the Storage Locker Area is available. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow. (See the Section of the Plan entitled "Terms of Sale" for details.)

(b) Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the a Storage Locker License, Sponsor reserves the right to withdraw the offering of any particular Storage Locker and/or to reduce the number of Storage Locker Licenses offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor may withdraw or reduce the offering of any Storage Locker Licenses but only to the extent that such withdrawal or reduction does not affect any Storage Locker License already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of Storage Locker Licenses, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize the Storage Locker Area for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Storage Locker Licenses and (ii) who have entered into Purchase Agreements for Storage Locker Licenses unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to Close on the purchase the Residential Unit.

(c) The Storage Lockers and the Storage Locker Area will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its members, officers, agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area. A Purchaser of a Storage Locker is advised to obtain insurance covering Purchaser's belongings maintained in the Storage Locker.

(d) See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Use of Units and Common Elements and Storage Lockers " for details.

Non-Resident Manager

11. The Condominium will have a non-resident manager who will live nearby in accordance with the Law.

No Bond or Other Security Posted

12. To the best of Sponsor's knowledge, as of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan including its obligations with respect to Unsold Units. No bond or other security has been posted by Sponsor to secure Sponsor's obligation. The ability of Sponsor to perform Sponsor's obligations under the Plan will partly depend upon its financial condition at the time Sponsor is called upon to perform. No representation is made that Sponsor will be financially able to perform any or all of such obligations. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Services and Facilities

13. (a) Purchasers are advised that some of the services and facilities described in the Plan (such as a full staff of Building personnel and usage of certain amenity areas) may not be available until approximately 12 to 15 months after the First Closing subject to ordinary delays. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. Additionally, until certain occupancy levels in the Condominium are achieved, the hours and duties of the residential lobby attendants may be reduced. However, at all times after the First Closing of a Residential Unit, the residential lobby will be attended 24 hours a day, 7 days a week.

(b) Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any services and/or facilities are not available for use on or after Purchaser's

Closing. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available.

(c) See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.

Leasing of Residential Units Prior to Closing

14. Sponsor reserves the right, with respect to any vacant Residential Unit, to enter into a pre-Closing Use and Occupancy Agreement with the Purchaser thereof on an interim basis, pursuant to a Use and Occupancy Agreement. Individuals leasing Residential Units from Sponsor will not, except as expressly provided in their respective Use and Occupancy Agreement, have any special rights to purchase such Residential Units. In addition, a Purchaser may be acquiring a Residential Unit which has been previously occupied, but such Residential Unit will be delivered at Closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. Any Use and Occupancy Agreement lease for a Residential Unit entered into with a Purchaser (other than a Tenant-Purchaser with respect to the Residential Unit such Tenant Purchaser occupied on the Filing Date) will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Residential Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy entitling Sponsor, at its sole option, to terminate the Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any Use and Occupancy Agreement with respect to the Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein provided. Upon the execution of the Use and Occupancy Agreement, Sponsor will require Purchaser to execute a Stipulation of Settlement Holdover, by which Purchaser will consent to a final judgment of possession of the Unsold Unit in favor of Sponsor and to the immediate issuance of a warrant of eviction, in the event of a default under the Use and Occupancy Agreement. Individuals who rent vacant Unsold Residential Units from Sponsor are <u>not</u> Tenant-Purchasers under the Plan and shall have no rights to purchase thereunder. Purchasers or any other Persons entering into a Use and Occupancy Agreement for a Residential Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under a Use and Occupancy Agreement shall be adjusted as of the Closing. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Use and Occupancy Agreement. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details and the form of Use and Occupancy Agreement set forth in Part II of the Plan.) After the Plan is declared effective, Sponsor reserves the right to rent rather than sell Residential Units as they become vacant.

On-Going Construction

15. (a) It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete renovation of the Building, including without limitation, certain Residential Units (including, without limitation, combining vacant Residential Units and/or incorporating Common Elements into such Units), the amenities and facilities, Storage Lockers, the decoration or finishing of the residential lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the renovations have been completed. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services shall not be the responsibility of Sponsor. In addition, the presence of

scaffolding, hoists or construction elevator shafts or similar temporary construction facilities may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. (See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.)

(b) Renovation is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. It is both customary and anticipated that certain issues will arise during the course of the renovation process that warrant the taking of corrective action, including the repair or replacement of construction defects in order to satisfy Sponsor's obligations under the Plan.

(c) No assurance can be given with regard to the accuracy of any projected completion dates set forth in the Plan. It is anticipated that during the first year of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing renovation of the Building, making adjustments and corrections and performing various tasks relating to the completion of renovation. During this period, various building systems, including but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time to be completed after the First Closing. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser or any third party, nor will Purchaser be entitled to any credit, offset or reduction in the Purchase Price of the Residential Unit or otherwise be relieved from any obligation under the Purchase Agreement: (i) as a result of any of the conditions described above; (ii) in the event of non-completion of any item of renovation on any projected date; or (iii) compensation for the presence of scaffolding on any portion of the Building or any interruption of services in the Building. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(d) The Building will contain certain major mechanical equipment (collectively, "Equipment"). Residential Units and the Storage Lockers in close proximity to the Equipment may be adversely affected.

(e) As is typical and customary, the Building is subject to normal settling, deflection, expansion and shifting. Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in Building condition, including without limitation, minor gapping in the flooring, uneven ceilings or floors and floor buckling resulting from such conditions. Additionally, Purchasers should note that since ceramic, stone and wood finishings installed throughout the renovated Units (in areas including, but not limited to, flooring, walls, countertops, backsplash and vanity tops) are cut from different slabs and are comprised of natural materials, there will be variations in the tone and color of such finishes. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(f) Tenants of the Building are advised that Sponsor may require access to their Residential Units during the course of construction.

Risk of Loss Prior to Closing

16. (a) Purchasers who are presently in occupancy of a Residential Unit or who otherwise take possession of a Residential Unit prior to Closing pursuant to a Purchase Agreement and Use and Occupancy Agreement shall be required to obtain appropriate levels of insurance coverage for damages by fire or other casualty to the Residential Unit as a consequence of assuming the risk of loss.

(b) If Purchaser is a tenant of the Residential Unit, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Residential Unit resulting from Purchaser's use or occupancy not covered by Purchaser's insurance. However, until Closing, Sponsor will

remain responsible to make those repairs required of it as landlord under any lease and the Rent Laws, if applicable; and after Closing, the Condominium Board will be responsible to make those repairs required of it under the Declaration and By-Laws.

(c) Purchasers should refer to the Section of the Plan entitled "Terms of Sale" and the Section entitled "Damage to the Residential Unit" of the Purchase Agreement set forth in Part II of the Plan for details.

Changes to Residential Units by Sponsor

17. In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without requiring the consent of the Condominium Board, any Residential Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more of such Residential Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Residential Common Elements (such as a portion of a hallway or service areas) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, without changing such Unit's Common Interest, (c) designate a Residential Common Element as part of a newly created Residential Unit or designate all or part of a Residential Unit as a newly created Residential Unit or Residential Common Element, (d) incorporate and enclose Limited Common Elements within a Residential Unit, (e) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests, and (f) make non-material changes in the size or quality of Common Elements. To the extent any such change involves entry into an occupied Residential Unit, Sponsor will repair any resulting damage to such Residential Unit. In addition, it is possible that Sponsor will install additional plumbing pipes through the concrete slabs vertically separating Residential Units and that such pipes will be run across the ceiling of some rooms in certain Units and enclosed in sheetrock enclosures. Sponsor reserves the right to perform such work before or after the closing of any Residential Unit and such change shall not be deemed a material and adverse change with respect to any Purchaser nor give rise to any claim against Sponsor by any Residential Unit Owner. See the Section of the Plan entitled "Changes in Prices and Units" for details.

Work at the Building to be performed by Sponsor

18. (a) The Building will undergo a complete interior and exterior renovation. The boiler, elevators, and fire stairs will be replaced or installed as new. A new fire protection system will be installed in common areas and vacant Residential Units. The lobby, cellar and common areas will be renovated. The exterior façade will be restored, windows replaced, parapet replaced/repaired and a new front entranceway installed. A one-story addition to the roof of the Building and courtyard area will be constructed. Vacant Residential Units will undergo a complete renovation while work in occupied Residential Units will be limited to the work set forth in subparagraph (b) below:

(b) Sponsor intends to enter into access agreements ("Access Agreement") with the tenants of all occupied Residential Units in connection with the installation of windows and entry doors, closure of certain windows, installation of mechanical ventilation as necessary and as required by the Department of Buildings in rooms where a window is closed, upgrades to Building mechanical systems and install drywall/plaster and paint all areas impacted by this work. Tenants will not be required to vacate or relocate while this work is being performed.

(c) The Department of Buildings requires occupied spaces two (2) floors below the area of steel installation and/or parapet demolition be vacant only while such work is occurring, which

shall be limited to weekdays and during the hours of 9:00 am- 4:00 pm. Sponsor intends to enter into temporary vacate/access agreements ("Temporary Vacate/Access Agreement") with tenants residing on the top two (2) floors of the Building, which includes Residential Units 7B (f/k/a Apartment 62), 7C (f/k/a Apartment 63), 7E (f/k/a Apartment 66), 8C (f/k/a Apartment 73), 8D (f/k/a Apartment 74) and 8F (f/k/a Apartment 76). Sponsor shall provide a lounge area created in the Non-Residential Unit so that those tenants have a place to stay during the steel installation and parapet replacement at the roof.

(d) Sponsor intends to enter into a temporary relocation agreement ("Temporary Relocation Agreement") with the tenant of Residential Unit 8A (f/k/a Apartment 71) such that the tenant will be out of possession with full reservation of the tenant's tenancy and rights to Residential Unit 8A during the steel installation and parapet replacement at the roof as well as certain repairs to Residential Unit 8A.

(e) Tenants are advised to confer with counsel before they sign an Access, Temporary Vacate/Access or Temporary Relocation Agreements. Copies of a form of Access, Temporary Vacate/Access and Temporary Relocation Agreements are set forth in Part II of the Plan. The Temporary Vacate/Access and Temporary Relocation Agreements provide, among other things, that the tenant will retain all rights that existed prior to the time of temporary relocation.

(f) Sponsor has created an open and transparent environment between tenants and Sponsor by having regular meetings on the status of construction and details concerning temporary relocations. Any questions that tenants have in the interim can be directed to Costa Petrunoff ("Tenant Representative") at (212) 220-5200. The Tenant Representative will be available at reasonable times to answer questions about construction, renovations and temporary relocations.

New Penthouse on New 9th Floor

19. Sponsor plans on constructing additional residential space above the existing 8th floor of the Building to create a 9th floor, which has been approved by the Department of Buildings and LPC. The 9th floor may consist of one or more Residential Units, identified as the Penthouse (except for the Unit 8D "pop-up" defined below). The roof of the Building will thereafter be above the 9th floor. Portions of the new roof will constitute a General Common Element, on which certain mechanical equipment for the Building will be located. The remaining portion of the new roof will be a Limited Common Element consisting of a roof terrace for the exclusive use of the Residential Unit Owner of the new Penthouse. The existing pop-up area above existing and vacant Unit 8E (f/k/a as Apartment 75) (on the same level as the new Penthouse) will be disconnected from Unit 8E and will be incorporated into the new Penthouse). The existing pop-up area above existing Unit 8D (f/k/a Apartment 74) will remain connected to and a part of Unit 8D. Unit 8D is currently occupied by a rent-regulated tenant. A "pop-up" is an upper floor portion of an apartment which is accessible only from the lower portion of the apartment, and not from any other portion of that upper floor. Construction of the new penthouse unit is expected to commence on or about the fourth quarter of 2015 and be completed during 2016.

During the construction of the new Penthouse, while Sponsor will take reasonable steps to diminish, as much as reasonably practicable, the disturbance to the occupants of the 8th floor and other occupied areas of the Building. The occupants of the 8th floor will suffer some level of disturbance during construction activity, including possible temporary relocations paid for by Sponsor, and there are likely to be occasional disruptions to other Building occupants as are typical of constructions projects. Reference is made to the section of the Plan entitled Description of Property and Building Condition contained in Part II of the Plan and to the floor plans for the new Penthouse and the altered Unit 8E contained in the floor plans in Part II of this Plan.

Sponsor will pay all costs and expenses for the construction of the new residential additions contemplated in this Plan. Sponsor will have a right of access and easement through all portions of the Building as may be necessary or appropriate to enable the construction work to proceed

and be completed. Such areas include, but are not limited to, stairs, the lobby, the roof, portions of Residential Units, and the elevators. It will be necessary for Sponsor to draw on the Condominium's water, electricity, and gas as needed for construction, and Sponsor agrees to pay all such costs for such utilities to the extent that Sponsor uses same. If such use is not more easily measurable, it shall be deemed to be the extent to which usage during the construction periods exceeds normal average usage during non-construction periods. There may be occasional interruptions of services (i.e., shutting down water supply in connection with the installation of new and/or replacement plumbing), but prior notice will be given of all such interruptions and Sponsor will take a good faith effort to minimize the frequency and length of those interruptions. Construction work will generally be performed during work hours permitted by the New York City Department of Buildings.

All construction work will comply with all applicable statutes and regulations. The actual construction work (including whatever demolition may be required) is expected to commence in or about the four quarter of 2015. Substantial completion of construction (sufficient to obtain at least a TCO for the new Penthouse) is expected to occur by year end 2016. Sponsor represents that, to the best of its knowledge, the Description of Property and Building Condition set forth in Part II of the Plan accurately states the current condition of the Building and the nature of the additions to be constructed.

Any access to Residential Units occupied by Tenant-Purchasers or the interruption of essential services will comply with Law and the warranty of habitability.

Excess Development Rights

20. By virtue of Sponsor's construction of the new Penthouse, which has been approved by the Department of Buildings, Sponsor is utilizing some, but not all Excess Development Rights appurtenant to the Property. The portion of the Excess Development Rights that are not being utilized by Sponsor is approximately 8,100 square feet. These Excess Development Rights are being reserved by Sponsor and a portion of which may be used to infill an internal shaft in the Building in the future.

As shown on the Floor Plans in Part II of the Plan, Sponsor has received Department of Building's approval to infill an internal air shaft from the 3rd floor through the top of the 7th floor. The size of the air shaft is approximately 190 square feet on each floor.

There are no occupied Residential Units facing the internal air shaft on floors 3 through 7. There is an occupied Residential Unit (Unit 8D) with two (2) windows facing the internal air shaft at the 8th floor. Should Sponsor at some point in the future receive consent from the tenant of Unit 8D in writing to close the two (2) windows facing the internal air shaft, or if the tenant vacates the Residential Unit, Sponsor reserves the right to seek approval from the Department of Buildings and LPC to infill the internal airshaft an additional two (2) floors at the 8th and 9th floors.

Prospective purchasers should be aware of potential construction of the two (2) additional floors that may take place directly above and adjacent to Residential Units at the 7th and 8th floors which will involve the installation of steel, concrete and interior mechanical systems and finish materials, including drywall and painting. Such construction, when it occurs may create certain disturbances including, but not limited to noise and vibrations. Sponsor will receive both Department of Building and LPC approvals prior to filling in the internal air shaft at these floors.

Window Closures and Ventilation

21. Subject to written agreements with the tenants, Sponsor intends to construct an additional floor on the Building as well as install a new second larger elevator at the Building. As a result of this work, several windows will be sealed. One window to be sealed is located in the room on the upper level of Residential Unit 8D (f/k/a Apartment 74). This window does not constitute legal source of light or ventilation because its size is less than 12 square feet (it is only approximately 18 inches wide) and the

room has an additional window and a glass door to a terrace, both of which are to remain and provide legally compliant light and ventilation to that room. The work to be performed by Sponsor will not increase or decrease the size of Residential Unit 8D.

Subject to written agreements with the tenants, two windows to be sealed are located in bathrooms that face an enclosed internal mechanical shaft, one in Residential Unit 8C (f/k/a Apartment 73) and one in the lower level of Residential Unit 8D (f/k/a Apartment 74). Both of these Residential Units are currently occupied by rent-stabilized tenants. Sponsor shall provide new code compliant mechanical ventilation as required by the Department of Buildings in both rooms where a window is closed. The mechanical ventilation will be contained in either a soffit or in a drop-down ceiling. Sponsor has been advised by Sponsor's Architect that those affected bathrooms will retain their status as legal bathrooms, the legal use and enjoyment of those bathrooms will not change, and the closure of those windows will not result in a reduction of the size or square footage of those affected Residential Units.

The other windows that are being closed and sealed are related to the installation of the new elevator that will provide ADA access to all floors of the Building. The existing "grandfathered" elevator does not provide ADA access. The new elevator is large enough to accommodate a hospital bed or gurney. The Residential Unit windows to be closed as a result of the new elevator installation face a brick wall approximately 6 feet away and are in the kitchen and adjacent bathrooms of Residential Units 3A, 4A, 5A, 6A, 7A and 8A (f/k/a Apartments 21, 31, 41, 51, 61 and 71). Only three of those Units (3A/21, 4A/3l, and 8A/71) are currently occupied; 3A/21 and 8A/71 are occupied by rent-controlled tenants and 4A/31 is occupied by a rent-stabilized tenant. The current ventilation in the affected kitchens and bathrooms by windows being closed will be replaced by new mechanical ventilation in a manner compliant with legal ventilation guidelines that will include vents contained in either a soffit along the ceiling or in a drop-down ceiling. This will be the only space taken from the affected apartments by the new mechanical ventilation system. That and the closures of those kitchen and bathroom windows will constitute the only impact that the new mechanical ventilation system will have on the affected apartments. Sponsor has been advised by Sponsor's Architect that, notwithstanding the window closures, upon the installation of that new mechanical ventilation, those affected kitchens and bathrooms will retain their status as legal rooms, the legal use and enjoyment of those kitchens and bathrooms will not change, and the closure of those windows will not result in a reduction of the size or square footage of those affected Residential Units. The window closures and installation of the elements needed for the mechanical ventilation are reflected on plans that have been approved by the New York City Department of Buildings. It is noted that, due to the intended location of the new elevator, a window in the hallway on each floor, just south of the stairway, will also be closed because that is where the entrance door to the new elevator will be located. Reference is made to the section of the Plan entitled Description of Property and Building Condition in Part II of the Plan for further discussion on the new elevator and the window closures.

Unit Power of Attorney

22. Each Purchaser shall be obligated to enter into a power of attorney at the Closing of Title to the Residential Unit. The form of power of attorney, set forth in Part II of the Plan, grants broad powers to the Condominium Board to enter into agreements affecting the Common Elements and to bring tax certiorari proceedings on behalf of all Unit Owners. The power of attorney also grants to Sponsor the right to amend the Declaration and to make certain changes to Unsold Units and the Common Elements allocated thereto. (See the Power of Attorney set forth in Part II of the Plan.)

Security

23. While Unsold Residential Units are being offered for sale or lease by Sponsor, there may be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate.

Neither Sponsor nor Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Building's or the Condominium's security systems and procedures, including, without limitation, those procedures with regard to visitors and any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor, Managing Agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures in the Building will prevent personal injury or damage to or loss of personal property. (See the Section of the Plan entitled "Description of Property and Building Condition" for details.)

Reserve Fund and Working Capital Fund

24. (a) A law enacted by the New York City Council provides a formula for determining the amount of the Reserve Fund. The exact amount of the Reserve Fund cannot be ascertained until the Plan is declared effective. Sponsor reserves the right to take a credit against the Reserve Fund for qualifying work performed in the Building (see the Section of the Plan entitled "Reserve Fund" and the Reserve Fund Law (Local Law 70) in Part II of the Plan for further details).

(b) No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or Residential Common Charges or levy a Special Assessment against the Unit Owners. The Reserve Fund may only be used for capital expenditures and replacements. (See the Section of the Plan entitled "Reserve Fund" for further details.)

(c) The contingency provided for in Schedule B – First Year's Budget is intended to provide a fund for unanticipated expenses not included in the First Year's Budget and for possible increases in operating expenses above the amounts projected if the Working Capital Fund is not sufficient to cover such costs. The contingency is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments.

(d) Each Purchaser of a Residential Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing and at each resale closing, shall be in an amount equal to 2 months' Common Charges assessed against the Residential Unit at Closing.

(e) See the Section of the Plan entitled "Reserve Fund" and "Working Capital Fund and Apportionments" and the Reserve Fund Law (Local Law 70) in Part II of the Plan for further details.

Special Allocation of Certain Common Expenses

25. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§339(i)1(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interests. However, certain budgeted items are allocated between the Residential Units and the Non-Residential Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the Non-Residential Unit Owner. See "Notes to Schedule B" and the By-Laws for details.

Apportionments with the Condominium

26. At the First Closing, certain apportionments will be made between Sponsor and the Condominium. If the result of the Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

Description of Property and Building Condition

27. (a) The "Description of Property and Building Condition" set forth in Part II of the Plan prepared by H.T.O. Architect, PLLC ("Sponsor's Architect") recommends the repair and/or replacement of certain systems or portions of the Building. Sponsor intends to perform some of the items of repair or replacement listed in the "Description of Property and Building Condition," subject to Force Majeure and the ability of Sponsor to gain access to the areas of the Property required in order to perform such repairs or replacements. No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items listed in the "Description of Property and Building Condition" as requiring repair or replacement or other such replacements or repairs, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against Unit Owners. The Reserve Fund may only be used for capital expenditures and may not be used to reduce Common Charges. (See the "Description of Property and Building Condition" in Part II and the Section of the Plan entitled "Reserve Fund" for details.)

(b) An Asbestos Inspection Report is set forth in Part II of the Plan. Sponsor's obligations under the Plan do not include an obligation to remove any asbestos-containing material ("ACM") disclosed in the Asbestos Report. Sponsor makes no representation as to the existence or non-existence of ACM in any specific locations in the Building other than as set forth in the Asbestos Inspection Report. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection "Sponsor's Obligations with respect to Asbestos" for further details). Sponsor previously abated and/or removed ACM and obtained an ACP 21 certificate. There may be additional ACM in the Building which Sponsor will abate and/or remove as ACM is discovered during the course of construction. Sponsor does not intend to test for, or abate, ACM in occupied Residential Units.

(c) Following the submission date of the preliminary Plan, Sponsor intends to undertake a program of capital repairs and replacements and cosmetic improvements to the Building as more fully described in the Plan ("Sponsor's Work"). Subject to Force Majeure and the ability of Sponsor to gain access to the areas of the Property required in order to perform such repairs or replacements, Sponsor presently anticipates that Sponsor's Work set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor," subsection "Sponsor's Undertaking with Respect to Certain Improvements and Replacements to the Common Elements" will be completed by approximately the fourth quarter of 2016.

(d) During the performance of Sponsor's Work, Sponsor reserves the right to access any common areas of the Building or the Property (subject to the rights of tenants thereof), temporarily interrupt utility service in connection with such work and temporarily relocate entrances and exits to the Building (provided legally required means of access and egress are provided).

(e) During the performance of Sponsor's Work, a Tenant Protection Plan (which may be amended from time to time) will be in place and will be adhered to by Sponsor. A copy of the Tenant Protection Plan is set forth in Part II of the Plan. A copy of the Tenant Protection Plan will be available for all tenants without charge and posted on each floor of the Building. Sponsor will update the Tenant Protection Plan in the event of any required changes, provide updated versions to all tenants and

post copies in the Building. Changes in the Tenant Protection Plan are not required to be disclosed in an amendment to the Plan.

Lead-Based Paint and/or Lead-Based Paint Hazards

28. Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law (including Local Law 1 of 2004) concerning the use of lead-based paint and lead-based hazards and all applicable protections required in connection with any construction work performed by Sponsor at the Building. Sponsor represents that Sponsor is in compliance with Local Law 1 of 2004. In the event lead-based paint and/or lead-based paint hazards are discovered upon a Residential Unit being vacated, Sponsor shall abate or remediate such lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Purchase Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. Lead-based paint has been detected in various locations throughout the Building. Sponsor shall implement the lead-based paint O&M program, contained in Part II of the Plan, to remediate affected locations in accordance with applicable Law. Purchasers are advised that, in the event they remove sheetrock or plaster at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement set forth in Part II of the Plan for further details.

Window Treatments

29. In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance.

Purchase Agreement Not Contingent on Financing

30. (a) Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit pursuant to a Purchase Agreement is not contingent on Purchaser obtaining such financing, so that Purchaser will remain obligated under the Purchase Agreement, whether or not Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any mortgage financing. Prospective Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is currently projected to occur on or around January 1, 2017, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date in its sole discretion, from time to time, and prospective Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing Date beyond the expiration of a loan commitment. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(b) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage of units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties in obtaining a loan in a building or group of buildings where the Sponsor has not sold a substantial percentage of the

units in the Building or group of buildings, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

(c) Even in a building undergoing conversion, lenders may still impose minimum sales requirements before granting a loan. It may then be difficult for Purchasers to resell Residential Units if prospective buyers are unable to obtain a loan due to such minimum sales and/or owner-occupancy requirements. (See the Section of the Plan entitled "Effective Date" for details.)

Summary of Special Rights of Sponsor

31. Set forth below is a summary, but not an exhaustive list, of special rights available to Sponsor. Purchasers are advised to review the Plan for more details:

(a) Sponsor shall have an exclusive easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Terraces appurtenant to Residential Units and Storage Lockers) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Non-Residential Unit Owner and/or Permitted Users. Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(b) Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Floor Plans will be amended, if required. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

(d) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of substantially Equal or Better Quality. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(e) No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or any Residential Rules and Regulations (other than those required by Law) shall be effective (a) against Sponsor unless Sponsor has given its prior written consent, or (b) to adversely affect the Non-Residential Unit Owner unless the affected Non-Residential Unit Owner has given its prior written consent thereto. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

(f) Sponsor reserves the right to take photographs, videos and use other advertising media in connection with the sale and/or lease of Units.

Lot Line Windows

32. Lot line windows exist on the west and north façades of the Building. Purchasers should refer to the "Description of Property and Building Condition set forth in Part II of the Plan for the specific Residential Units containing lot line windows. The Residential Units containing lot line windows are 3C, 4C, 5A, 5C, 6A, 6D, 6E, 7A, 7E, 7F, 8A, 8E, 8F, 8G and Penthouse. See the Floor Plans set forth in Part II of the Plan which identify which windows are lot line windows. Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Residential Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Residential Units having lot line windows have other windows which satisfy requirements for the lawful use of such Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost to close-up any lot line windows, if necessary, shall be borne by the affected Residential Unit Owner (including Sponsor with respect to Unsold Residential Units), which cost is currently estimated to be approximately $3,000 per window. Sponsor does not make any representation that this cost will not increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required. There will be lot line windows in the new Penthouse Unit to be constructed on the 9th Floor. (See the "Description of Property and Building Condition" set forth in Part II of the Plan for details.) There is, however, a 1888 recorded Light and Air Easement affective the Property and the adjacent property located at 103 West 78th Street, New York, New York 10024 on the west which prohibits the owner of the adjacent property from erecting any building or structure more than 45 feet high (above street level) or that may otherwise obstruct the light for the bay windows or the upper floors of the western façade of the Building. As a result, Residential Units 5A, 6A, 7A and 8A will benefit from the Light and Air Easement.

Future Construction

33. No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows and/or Terrace in the Building. (See the Section of the Plan entitled "Location and Area Information" for details.) Sponsor has no projects planned for development in the immediate vicinity (i.e., within one block of the Property) and is not aware of any development projects that have been publicly announced that will be adjacent or directly across the street from the Property. Any change in this information that occurs while sales are continuing will be disclosed in an amendment to the Plan within 30 days after the information becomes known to Sponsor.

Unit Measurements

34. (a) Floor Plans depicting layouts of Units and the Storage Lockers appear in Part II of the Plan. The Units were measured from the exterior side of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts were not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from the public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements or Limited Common Elements. Measured vertically, each Unit will consists of the volume from the top of the floor slab below (located under the finished flooring and the sub-floor materials) to the underside of the floor slab above.

(b) As is customary in New York, these square footages exceed the usable floor area of each Unit. See the Footnotes to Schedule A in Part I of the Plan and the "Description of Property and Building Condition" set forth in Part II of the Plan for details.

Window Guards / Legally Compliant Window Stops

35. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be charged to and borne solely by the Residential Unit Owner. It is the responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) otherwise ensure that all operable windows located in the Residential Unit comply with Laws relating to window guards and/or window stops. Sponsor does not make any representation, warranty or assurance whether Residential Unit Owners will comply with the foregoing obligations. (See the Section of the Plan entitled "Terms of Sale" for further details.)

Vault Space

36. Floor 1 (cellar) contains New York City vaults ("Vault Space") which may be used for mechanical equipment and/or storage for the Non-Residential Unit. The Vault Space is designated as a General Common Element. The City of New York has the right to repossess the Vault Space, in which event the Condominium will no longer have the right to utilize the Vault Space. In such event, the Condominium Board, at its option, may elect to move the mechanical equipment to a different location in the Building. Sponsor makes no representation or guarantee that such substitute location will be available. The Storage Lockers will not be located in the Vault Space, and as such are not affected by any change to the Vault Space. In the Description of Property and Building Condition contained, in Part II of the Plan, it is disclosed that certain steel beams under the sidewalk Vault Space at the east side of the Building are severely corroded and delaminated and need to be further investigated and repaired or replaced as required. Sponsor plans to replace those beams.

Marketing Materials

37. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legal permitted uses of such areas or rooms.

Wood Materials

38. Purchasers should note that natural materials used as finishes have certain inherent risks associated with such use. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. The renovated Residential Units will be delivered with wood floors, which need to be maintained in accordance with the manufacturer's recommendations. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry or interior of cabinetry may or may not be the same material and/or color as the exterior and molding) include, but are not limited to, the following: appearance of cracks between the floor boards, squeaks, variation in color, variation in wood grain, texture, occurrence of knots, and cupping. Purchasers should also note that since wood is a product of nature, it can have a great deal of variability in color, grain, texture and appearance. Cracks, occurrence of knots, and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighten when exposed to light. Wood flooring can also dent. Protective felt pads and protective sheeting such as plywood or masonite should always be used when placing furniture or appliances. Unit Owners should be cautious about using water to wash wood flooring because it can cause warping and cracking. Standing water will cause cupping, swelling, and subsequent gapping. (See the Sections of the Plan entitled "Rights and Obligations of Sponsor" and "Rights and Obligations Unit Owners" for further details.) For more information about the effect of water on wood floors, Purchasers should make reference to the National Wood Flooring Association, available at http://nwfa.org.

Principal(s) of Sponsor Has/Have Executed The Certification of Sponsor and Principal(s) for Compliance with the Martin Act and Governing Regulations

39. Consistent with a recent First Department decision, the principal(s) of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principal(s), absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC. et al, 106 A.D. 3rd 542 (1st Dept. May 16, 2013).

Insurance

40. (a) The budgeted line item for the insurance premiums set forth in Schedule B represents current insurance premiums at current rates. In recent years, premiums for insurance (especially fire, terrorism, liability and flood insurance) have increased significantly. Although the

projections in Schedule B are believed to be reasonable, Purchasers should note that insurance premiums could increase depending on market and weather conditions. It is not possible to predict whether future premiums will continue to escalate at the same substantial rate or will level off. No guarantee is given that insurance premiums will not increase.

(b) Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense.

Floor Plans

41. Sponsor reserves the right to amend the Floor Plans and layouts of renovated Residential Units and amenity spaces, including, but not limited to, the fitness center, residential lobby, tenant storage, pet grooming room and children's playroom.

INTRODUCTION

Nature of the Transaction

101 West 78th LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property as of December 28, 2012. Entities which are affiliated with principals of Sponsor acquired a partial interest in Sponsor on August 28, 2013 and acquired the remaining interest in Sponsor on June 11, 2015.

The Property was previously converted to a 2-unit condominium pursuant to a no-action letter issued by the Department of Law. The Condominium is known as 101 West 78 Condominium and located at 101 West 78th Street, New York, New York 10024 ("Property"). The Condominium currently consists of a Residential Unit and a Non-Residential Unit. Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the Subdivision of the Residential Unit into individual Residential Units. The Condominium is subject to and complies with the Condominium Act (New York Real Property Law, Article 9-B).

The principals of Sponsor who will be making and taking part in this offering are Thomas M. Shapiro and Robert Vahradian. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for further details.)

Following the Subdivision of the Residential Unit, the Condominium will consist of: (a) 28 Residential Units, (b) 1 Non-Residential Unit, and (c) 18 Storage Lockers. As of the approximate submission date of the preliminary Plan, 8 of the Residential Units in the Building are subject to the Emergency Tenant Protection Act of 1974, as amended, the New York City Rent Stabilization Law of 1969, as amended, the Rent Stabilization Code, as amended, and any policies and procedures promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property (collectively, "Rent Laws"). 3 of the Residential Units are subject to the New York City Rent Control Law and 17 of the Residential Units are not subject to any Rent Laws. The Residential Units and the Non-Residential Unit are collectively referred to as the "Units."

The Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor. The Plan contains all of the detailed terms of the transaction.

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law, having an office at 120 Broadway, 23rd Floor, New York, New York and serving such amendment on Offerees, as the term "Offerees" is defined in the Regulations of the Department of Law.

The Plan is presented in two parts that, together with all documents filed with the Department of Law, constitute the entire offer of Sponsor. Part I sets forth a general description of the offering and the Condominium and Part II contains the basic documents necessary to create the Condominium and otherwise effectuate the Plan. Also included in Part II is a detailed physical description of the Property and other certifications as to certain matters discussed in the Plan.

In addition, Sponsor has filed with the Department of Law, Exhibits to the Plan which, along with the Plan, constitute the entire offer of Sponsor. Copies of the Plan and all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the Plan shall be available for inspection by Purchasers and their attorneys without charge and for copying at a reasonable charge by any Person who shall have purchased a Unit offered by the Plan at the Sales Office and available for

inspection and copying at the office of the Department of Law. A prospective Purchaser (other than a Tenant-Purchaser) may borrow a copy of the Plan upon payment of a $300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the Purchaser of a Purchase Agreement subsequently accepted by Sponsor. Copies of the Plan will be served upon all Tenant-Purchasers in accordance with the GBL. Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All documents are important and should be read carefully by Purchasers.

All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Definitions," unless otherwise defined.

Offering of Residential Units for Sale

Sponsor hereby offers the Residential Units for sale pursuant to the Plan. The Purchase Prices for each of the Residential Units are listed in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Schedule A also contains a listing of the approximate square footage of each Residential Unit. (See the Section of the Plan entitled "Description of Property and Building Condition" and "Floor Plans" for details.)

1. The Offer to Present Existing Tenants

(a) The Offer to Purchase Unit Occupied by an Existing Tenant

Bona Fide Tenants have the exclusive right to purchase only their respective Residential Units within the first 90 days from the Presentation Date of the Plan ("Initial Exclusive Purchase Period") at the Purchase Prices set forth in Schedule A. These Purchase Prices for Tenant Purchasers is approximately $1,000 per square foot as set forth in Schedule A.

There will be no increase in Purchase Prices for Tenant-Purchasers during any Exclusive Purchase Period and Sponsor will not accept Purchase Agreements from Non-Tenant Purchasers for occupied Units during any Exclusive Purchase Period.

In order to qualify for the foregoing benefits during the Initial Exclusive Purchase Period, a Bona Fide Tenant must deliver to Selling Agent during such Initial Exclusive Purchase Period (i) four (4) original, complete, and unaltered executed copies of the Purchase Agreement, (ii) a completed and executed original form W-9 or form W-8, as applicable, and an official bank check made payable to "Starr Associates LLP, as Escrow Agent" in the amount of 10% of the Purchase Price of the Unit representing the Initial Deposit. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

If prior to the First Closing, Sponsor amends the terms and conditions of the offering to be more favorable to Bona Fide Tenants, a Tenant-Purchaser who executed and submitted a Purchase Agreement and delivered the Initial Deposit for the Residential Unit which the Tenant-Purchaser occupied on the Filing Date before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions.

2. The Offer to Non-Tenant Purchasers

Sponsor hereby offers for sale the Residential Units set forth in Schedule A to Non-Tenant Purchasers (defined as Purchasers other than Tenant-Purchasers) on the following terms:

(i) They shall have the opportunity to purchase a Vacant Unit at the prevailing "Purchase Price for Non-Tenant Purchasers" as set forth on Schedule A, as amended from time to time; and

(ii) They shall have the opportunity to purchase an occupied Residential Unit either following the Initial Exclusive Purchase Period afforded Bona Fide Tenants or upon receipt of a written waiver by the Bona Fide Tenant of the right to purchase the Residential Unit which such Bona Fide Tenant occupies during the Initial Exclusive Purchase Period, at the "Purchase Price for Non-Tenant Purchasers" as set forth on Schedule A, as amended from time to time.

In order to qualify for the foregoing benefits, a Non-Tenant Purchaser must deliver to Selling Agent (i) four (4) original, complete, and unaltered executed copies of the Purchase Agreement, (ii) a completed and executed form W-9 or form W-8, as applicable, and (iii) an official bank check made payable to "Starr Associates LLP, as Escrow Agent" in the amount of 10% of the Purchase Price of the Unit representing the Initial Deposit. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

3. **All Offers to Purchase Residential Units**

At the time of execution of a Purchase Agreement, a Tenant-Purchaser or Non-Tenant Purchaser as applicable will be required to deliver an Initial Deposit in an amount specified in Paragraphs 1 or 2 above, as applicable. At the earlier to occur of (i) 6 months after the date of the Purchase Agreement or (ii) 15 days after the Presentation Date of the amendment declaring the Plan effective, a Tenant-Purchaser will be required to deliver an Additional Deposit in an amount equal to 10% of the Purchase Price and a Non-Tenant Purchaser will be required to deliver an Additional Deposit in an amount equal to 15% of the Purchase Price. Notwithstanding the foregoing, any Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price and any Non-Tenant Purchaser executing a Purchase Agreement after the Plan is declared effective is required to deliver the full Deposit in an amount equal to 25% of the Purchase Price.

With respect to the payment of any Deposits, Purchaser shall deliver such payment by official bank check or, if Sponsor offers the option in Sponsor's sole discretion, by wire transfer. All checks (i) must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association, (ii) must be made payable to the direct order of "Starr Associates LLP, as Escrow Agent," and (iii) shall be accepted by Sponsor subject to collection. If any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, at its option, among other things, (a) with respect to a check towards the Initial Deposit, to deem such Purchase Agreement to be void *ab initio* and of no further force or effect, or (b) with respect to any check towards the Additional Deposit, to cancel the Purchase Agreement and retain as liquidated damages all Deposits delivered, together with any interest earned thereon. With respect to wire transferred funds, (y) such wire transfer must be payable to the direct order of the Escrow Agent and (z) any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

Non-Residential Unit Not Offered for Sale

Sponsor is not offering the Non-Residential Unit for sale at this time. Sponsor may do so in the future by amending the Plan or obtaining a "No-action" letter from the Department of Law. At such time as the Non-Residential Unit is offered for sale all terms of sale with respect to the Non-Residential Unit are freely negotiable without resort to the form Purchase Agreement set forth in Part II of the Plan, including, but not limited to, the amount of the Deposit(s), payment of use and occupancy fees from the date of Closing until the Condominium Board's imposition of Common Charges, terms of sale and insurance coverage requirements.

Offering of Storage Locker Licenses for Sale

Sponsor offers the Storage Locker Licenses for sale to Non-Tenant Purchasers *only* pursuant to the Plan pursuant to a licensing arrangement ("Storage Locker License"). A Storage Locker may not be licensed independently of a Residential Unit. The Purchase Price for each of the Storage Lockers is listed in Schedule "A." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

Although the Storage Locker Area is a Residential Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Locker Licenses located in the Storage Locker Area. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Lockers.

Purchasers should note that the Closing of a Storage Locker License does not require the issuance of a TCO or PCO. Purchasers will be required to consummate the purchase of the Residential Unit and the Storage Locker License simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued to or access may not be available to the Storage Locker Area. In such event, the proceeds from the sale of the Storage Locker License will be held in escrow ("Storage Locker Escrow") by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued and access is available to the Storage Locker Area. The Storage Locker Escrow will not be held in an interest bearing account for the benefit of Purchaser. Purchaser will earn no interest on the Storage Locker Escrow.

Sponsor reserves the right to offer as many Storage Lockers as it determines and to withhold one or more for future sale. In addition, Sponsor has the right to limit the number of Storage Lockers sold to any Purchaser or to make bulk sales, as it deems fit.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor reserves the right to withdraw the offering of any Storage Locker or to reduce the number of Storage Locker Licenses offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker License, Sponsor may withdraw or reduce the offering of any Storage Locker Licenses but only to the extent that such withdrawal or reduction does not affect any Storage Locker Licenses already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Storage Locker Licenses, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize the Storage Locker Area for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Storage Locker Licenses and (ii) who have entered into Purchase Agreements for Storage Locker Licenses unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to Close on the purchase the Residential Unit.

Terms of Offer

Except for the work to be specifically performed by Sponsor set forth in the Plan (including the replacement of all front doors and windows in certain occupied Residential Units, to the extent access is granted), the replacement of which shall be at the sole discretion of Sponsor. Tenant-Purchasers will be acquiring their Residential Units "as is" subject to ordinary wear and tear and further subject to Sponsor's obligations to maintain the Building until the First Closing and to make repairs, improvements or decorations as may be otherwise set forth in this Plan; Purchasers of vacant Residential Units will acquire vacant Residential Units in the condition in which they exist on the Closing Date of such Residential Unit.

All Deposits received by Sponsor directly or through its agents or employees will be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements."

A copy of the form of Purchase Agreement that will be used by Sponsor in connection with the sale of the Residential Units is set forth in Part II of the Plan. Sponsor reserves the right to revise the form of Purchase Agreement from time to time. All material and adverse changes in the Purchase Agreement will be disclosed in an amendment to the Plan.

No binding obligation shall arise for the sale of a Residential Unit unless and until a Purchase Agreement, executed by both Purchaser and Sponsor, has been exchanged, and Sponsor has collected the Initial Deposit (see the Section of the Plan entitled "Procedure to Purchase" for further details), except for a Bona Fide Tenant who executes and delivers an unaltered Purchase Agreement and the Initial Deposit to Sponsor within an Exclusive Purchase Period, with respect to the Residential Unit occupied by such Bona Fide Tenant on the Filing Date, provided that such rejection is not based on sex, race, creed, color, national origin, marital status, ancestry, disability, or other grounds proscribed by Law.

For further details concerning the Closing of Title to the Residential Units, the costs and adjustments with respect thereto and the time periods which must elapse before closings may occur, see the Sections of the Plan entitled "Effective Date," "Closing Costs and Adjustments" and "Terms of Sale."

Additionally, each Purchaser of a Residential Unit will be required to make a non-refundable contribution to the Working Capital Fund. Such contribution, to be made at the time of Closing of the Residential Unit, shall be in an amount equal to 2 months' Residential Common Charges in effect at the time of Closing for each Residential Unit purchased. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

Surrender Agreements for Existing Tenants

To the extent permitted by Law, Sponsor reserves the right to selectively offer, in Sponsor's sole discretion, surrender payments in amounts to be determined by Sponsor and subject to tenants' rights to negotiate money or other incentives to some bona fide tenants in occupancy to induce them to vacate and surrender their Residential Units. The Department of Law takes no position on the legality of a surrender agreement ("Surrender Agreement") and recommends that tenants seek the advice of counsel on whether acceptance of a surrender offer is a waiver of rights under the rent regulation laws. A copy of a form of Surrender Agreement is set forth in Part II of the Plan.

Applicable Rent Laws

The Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the General Business Law ("GBL") which sets forth the procedure for converting occupied dwelling units to condominium ownership. Under the GBL, Sponsor may declare the Plan effective when Purchase Agreements have been executed for at least 15% of the Residential Units in the Building by Bona Fide Tenants in occupancy on the Filing Date or Bona Fide Purchasers who represent that they intend that they or one or more specified Family Members will occupy the Residential Unit when it becomes vacant. A Non-Purchasing Tenant of a Residential Unit will not be evicted by reason of conversion of the Property to condominium ownership. As of the approximate submission date of the preliminary Plan (or "red herring") to the Department of Law: 8 of the 28 Residential Units in the Building are subject to the Emergency Tenant Protection Act of 1974, as amended, the New York City Rent Stabilization Law of 1969, as amended, the Rent Stabilization Code, as amended, and any policies and procedures promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property (collectively, "Rent Laws"). 3 of the Residential Units are subject to the New York City Rent Control Law and 17 of Residential Units are not subject to any Rent Laws. The status of each Unit under the Rent Laws is set forth on Schedule A.

Purchasers should refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Residential Units Occupied by Non-Purchasing Tenants" for details.

Sponsor's Rights with Respect to Leasing Rather than Selling Unsold Residential Units

(a) Sponsor reserves the right to rent or lease any vacant Unit prior to Closing to the Purchaser thereof or any other party. After the Plan is declared effective, Sponsor reserves the unconditional right to rent rather than to sell Residential Units as they become vacant. Sponsor's right to rent rather than sell Residential Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion without limitation as to duration, frequency or number.

(b) Following the expiration of the Initial Exclusive Purchase Period, Sponsor shall have the right to: (i) sell occupied Residential Units to one or more non-occupant Purchasers for investment or resale; (ii) lease occupied Residential Units to others; or (iii) retain vacant Residential Units for future sale or rental. Any such sales are subject to the rights, if any, of Bona Fide Tenants to purchase their respective Residential Units during a subsequent Exclusive Purchase Period provided in an amendment to the Plan prior to the Effective Date. The Plan may not be declared effective based on Purchase Agreements executed by Purchasers who have not represented that they intend to occupy the Unit when it becomes vacant. (See the Section of the Plan entitled "Effective Date" for details.)

(c) Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or tenants leasing from other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant number of tenants may not be Unit Owners. Owner-occupants may never gain control and management of the Condominium since the By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. 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., purchasing as a home as opposed to as an investment. (See the Section of the Plan entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for details).

(d) Prospective Purchasers should be aware that potentially they may be living with non-purchasing occupants in many of the Units for an indefinite period, depending upon market conditions. In Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants, however, they have no investment in their Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities.

(e) Sponsor reserves the right to sell 10% or more of the Unsold Units ("Bulk Sale") to a Person which assumes the rights and obligations of Sponsor with respect to such Units.

Basic Aspects of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home in the case of a Residential Unit, and a building in the case of the Non-Residential Unit. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession and use thereof and is obligated to comply, with the terms of the Condominium Documents and any other requirements implemented by the Condominium Board. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements," (ii) portions of the Building serving

and benefiting the Residential Units, exclusively, including for example, and without limitation, the residential lobby, residential hallways, residential corridors and residential elevators exclusively servicing the Residential Units, these Common Elements being more specifically designated as "Residential Common Elements;" and (iii) portions of the Building exclusively serving and benefiting one Residential Unit such as a Terrace, these Common Elements being specifically designated as "Residential Limited Common Elements."

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage the Unit with such lender and in such amount as the Unit Owner chooses. However, Sponsor does not make any representations about the financeability of any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Residential Units or the rights of the Non-Residential Unit Owner to mortgage Non-Residential Unit. Each Unit is separate and will not be subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

Operation of the Condominium will be vested in a Condominium Board, the members of which will be elected by the Residential Unit Owners, subject to the rights of Sponsor and the Non-Residential Unit Owner to designate a member of the Condominium Board, as set forth in the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board." When voting for members of the Condominium Board, each Residential Unit Owner shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Residential Unit, per Residential Member to be elected.

A Unit Owner may decorate and construct the interior of the Unit in any way the Unit Owner desires, subject to compliance with the Condominium Documents and Law, and will be solely responsible for the cost of maintenance and interior repairs to the Unit 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 for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

With certain exceptions set forth in the By-Laws, any sale or lease of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor and the Non-Residential Unit Owner may sell or lease any of their respective Units without any restriction or limitation. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" subsection "Sales and Leases of Residential Units" for details.)

A Non-Tenant Purchaser Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited under the By-Laws for a period of 12 months from the Closing of the Sponsor sale ("Sponsor Sale") from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale or rental, or (iv) entering into a contract, lease or other agreement for the sale or rental of the Residential Unit or reselling or renting the Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale"). Unless it would constitute a prohibited discriminatory inducement, the prohibitions set forth in (i) through (iv) above may be waived by Sponsor upon the Residential Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" and the By-Laws for further details.)

A Non-Tenant Purchaser who acquired title to the Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to sell such

Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to send Sponsor a copy of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit per the Resale Agreement less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Residential Unit Owner, and (3) actual legal fees not exceeding $3,500, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. See the Section of the Plan entitled "Rights and Obligations of Unit Owners" for further details. The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized by Sponsor is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act." The Property will be submitted to the provisions of the Condominium Act by recording the Declaration in the Register's Office by Sponsor. The Condominium will comply with all Laws applicable to condominiums in the State of New York.

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the Schedule B – Projected Budget for the First Year of Condominium Operation. As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only. Residential Common Charges will be assessed against Residential Unit Owners in the same proportion their respective Residential Units bears to the aggregate Common Interests of all Residential Units. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (RPL Sections 339(i) and (m)).

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

The Residential Common Interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Residential Units and the Non-Residential Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the unanimous consent of the Non-Residential Unit Owner. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Non-Residential Unit Owner are sufficient to cover the expenses fairly attributable to the Non-Residential Unit. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interests of all Residential Units equals 100%. The percentage of Common Interests are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property

subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

After the Closing of Title to a Residential Unit, a Residential Unit Owner will be solely responsible for maintaining casualty insurance with respect to the Residential Unit, including, without limitation, the flooring, fixtures, furniture, furnishings, equipment, appliances and personal property located within the Residential Unit, any Residential Limited Common Elements appurtenant thereto, and any Storage Locker licensed by the Residential Unit Owner, as well as liability insurance with respect to occurrences in or about the Residential Unit, any Residential Limited Common Elements appurtenant thereto, and any Storage Locker licensed by the Residential Unit Owner. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements (except for the Storage Lockers), in accordance with the provisions of the By-Laws. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

Each Purchaser of a Residential Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Residential Unit, shall be in an amount equal to 2 months' Common Charges assessed against the Residential Unit at Closing. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes with respect to the Unit (both before and after such taxes are separately assessed and billed against the Unit by the City of New York), interest and amortization payments on any mortgage and charges for electricity consumed in the Unit.

Real Property Law – Section 339-kk

Set forth in Part II of the Plan is a copy of Section 339-kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Condominium to serve a notice on any tenant occupying a Residential Unit to pay rent directly to the Condominium if the Residential Unit Owner has failed to pay Common Charges, Special Assessments or late fees for such Residential Unit within 60 days after the expiration of any grace period.

Income Taxes

In the opinion of Income Tax Counsel to Sponsor, under present income tax laws, certain Residential Unit Owners who are U.S. citizens or permanent residents of the United States and who itemize their deductions may deduct from income for income tax purposes the real estate taxes paid in connection with an owned Residential Unit, and any other interest paid to a lender with respect to a mortgage on such Residential Unit, provided the Residential Unit Owner uses the Residential Unit as a principal residence or a secondary residence and the mortgage indebtedness does not exceed the Residential Unit Owner's cost of the residence plus the cost of any improvements thereto. Purchasers are advised to consult with their own tax counsel regarding the availability or non-availability of such deduction on a case-by-case basis. A copy of Attorney's Income Tax Opinion is set forth in Part I of the Plan.

Use of Units

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast," "Air BnB," or other transient use. A Residential Unit owned or leased by an individual, corporation, partnership, limited

liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law, does not violate the then existing TCO or PCO covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use. Use and occupancy of the Residential Unit shall be subject to the Residential Rules and Regulations of the Condominium which may be amended from time to time.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein.

Sponsor may, without the consent of either the Condominium Board or the Unit Owners, use any Unsold Storage Locker for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

With certain exceptions, as set forth in the By-Laws, any sale or rental of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor and the Non-Residential Unit Owner may sell or lease their respective Units, or portions thereof, without any restriction or limitation. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Residential Units, the Condominium Board is unable to limit the number of Purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units may have different interests than those Residential Unit Owners who do not occupy Residential Units. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Units" for details.)

Each Residential Unit Owner has exclusive use, subject to any and all Residential Rules and Regulations implemented by the Condominium Board, of any Residential Limited Common Element appurtenant to such Residential Unit Owner's Residential Unit, as shown on the Floor Plans included in Part II of the Plan, and is responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Residential Limited Common Element (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to same) shall be charged to all Residential Unit Owners as a Residential Common Expense. The type, size, weight, location and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

There are no limitations on who may purchase Units, except as set forth in the Plan. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to Law. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute Purchase Agreements for one or more Units to any Person. Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and

Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's Initial Deposit thereunder (see the Section of the Plan entitled "Procedure to Purchase" for details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

Certain Improvements and Replacements

In connection with the conversion of the Building to its new status as a condominium, Sponsor will undertake a program of capital repairs and replacements and cosmetic improvements. See the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection (f) for details.

In addition, Sponsor shall:

1. Install new entry doors to Residential Units occupied by Bona Fide Tenants which are equal to those doors to be installed in vacant Residential Units.

2. Install an auto-assist front door at the entrance to the Building.

3. Properly label the existing front-door intercom located at the entrance to the Building.

4. Commencing on July 1, 2015 and continuing until Sponsor's renovation of the Property is completed as part of the conversion of the Property to condominium ownership ("Renovation") is complete, provide Bona Fide Tenants with monthly written updates as to the status of the Renovation, which updates shall include notice of construction events planned for the upcoming four-week period, notice of anticipated disruption of water, utility or other services at the Property and notice of any known health or safety issues implicated by the Renovation.

5. Commencing on July 15, 2015, hold monthly meetings with the Bona Fide Tenants to advise them of the status of the Renovation and to answer questions from Bona Fide Tenants concerning the Renovation.

6. Not apply to the Division of Housing and Community Renewal ("DHCR") for rent increases on Residential Units occupied by Bona Fide Tenants on the basis that the Renovation or any other work performed by Sponsor at the Property constitutes a Major Capital Improvement ("MCI") or an Individual Apartment Improvement as those terms are used in the New York City Rent and Eviction Regulations and the Rent Stabilization Code. Notwithstanding the foregoing, Sponsor shall not be prohibited from applying to DHCR for MCI's for vacant Residential Units for the purpose of removing the vacant Residential Units from rent regulated status.

7. Not apply to DHCR for a deregulation order with respect to Residential Units occupied by Bona Fide Tenants on the basis that the Renovation constitutes Substantial Rehabilitation, as that term is used in the Rent Stabilization Code.

General

The Attorney General's office has not verified or approved the disclosure set forth above.

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

DEFINITIONS

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

"Additional Deposit" shall mean the deposit in an amount as applicable, (i) in the case of a Tenant-Purchaser, equal to 10% of the Purchase Price; or (ii) in the case of a Non-Tenant Purchaser, equal to 15% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date the Purchase Agreement is executed; or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

"Adverse Effect," or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by 25% or more, (ii) materially and permanently interfere with such Unit Owner's access to the Unit, (iii) materially and permanently obstruct or degrade the view from the windows and/or Terraces of the Unit (excluding lot line windows) or (iv) otherwise materially diminish the use and enjoyment of the Unit.

"Appurtenant Interest" shall mean, 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 Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Bona Fide Tenant" shall mean (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee subleases from a non-bona fide tenant, or has obtained written permission to purchase the Residential Unit from the bona fide tenant of record.

"Bona Fide Purchaser" shall mean a Purchaser (other than a Bona Fide Tenant) who represents that Purchaser or members of Purchaser's immediate family intend to occupy the Residential Unit when it becomes vacant.

"Building" shall mean the building located at 101 West 78th Street, New York, New York 10024.

"Buildings Department" shall mean the office of the New York City Department of Buildings or any successor agency.

"By-Laws" shall mean the by-laws governing the operations of the Condominium, substantially in the form set forth as Exhibit D to the Declaration, as the same may be amended from time to time, substantially in the form as set forth in Part II of the Plan.

"Certificate of Occupancy" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

"Closing" or "Closing of Title" shall mean the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

"Closing Date" shall mean the date on which a Closing occurs.

"Combination" shall mean the permitted combination of Units or subdivided Units in accordance with the Declaration.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their Schedule B allocations and as provided in the Declaration or in the By-Laws to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements, Residential Common Elements and Residential Limited Common Elements,

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean 101 West 78 Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean the New York Condominium Act, as amended from time to time (New York Real Property Law, Article 9-B).

"Condominium Board" shall mean the board of managers of the Condominium which will manage the affairs of the Condominium.

"Condominium Documents" shall mean the Declaration, the By-Laws, the Residential Rules and Regulations and the Floor Plans.

"Declarant" shall mean 101 West 78th LLC and its successors and assigns.

"Declaration" shall mean the instrument creating the Condominium, as the same may be restated and amended from time to time, substantially in the form set forth in Part II of the Plan.

"Department of Law" shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

"Deposits" shall mean, collectively, all deposits, advances and payments delivered by a Purchaser with or pursuant to an executed Purchase Agreement prior to the Closing of a Unit, including, without limitation, the Initial Deposit and Additional Deposit, but excluding Unit Upgrade Funds.

"Development Rights Owner" shall mean Sponsor or any Person which acquires all or any portion of the Excess Development Rights from Sponsor, if any.

"Effective Date" shall mean the date upon which the Plan is declared effective.

"Equal or Better Quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

"Exclusive Purchase Period" shall mean the exclusive 90 day period from the Presentation Date of the Plan within which a Bona Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona Fide Tenant occupies on the Filing Date at the Purchase Price set forth on Schedule A and any subsequent exclusive purchase period which may be granted by Sponsor pursuant to an amendment to the Plan.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

"First Annual Meeting" shall mean the first annual meeting of the Residential Unit Owners.

"First Closing" shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year of Condominium Operation" shall mean the first 12 months of operation of the Condominium beginning on the date of First Closing, which may be a calendar or fiscal year.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget." The First Year's Budget is sometimes referred to as "Schedule B."

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental or amended floor plans thereto.

"Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

"GBL" shall mean Section 352-e of the New York State General Business Law.

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of all of the Units or all the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Floor Plans.

"General Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements; or (ii) the establishment and/or maintenance of a general operating reserve fund for working capital, for replacements with respect to the General Common Elements.

"Initial Deposit" shall mean a deposit in an amount equal to 10% of the Purchase Price required to be delivered by Purchaser at the time Purchaser executes a Purchase Agreement for both Tenant-Purchasers and Non-Tenant Purchasers.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor, if Sponsor is offering purchase money financing, or (iv) with respect to loans secured by the Non-Residential Unit only, (x) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of Section 860D of the Internal Revenue Code, (y) any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (z) any group of lenders which shall include one or more of the foregoing.

"Institutional Mortgage" shall mean any Permitted Mortgage where the initial holder is either Sponsor or an Institutional Lender.

"Insurance Trustee" shall mean a bank or trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000 or more, from time to time appointed to serve as such by the Condominium Board.

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 1150, Lots 1301 and 1302 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean any of the following which are applicable at the time in question: laws, ordinances and codes of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, the Landmarks Preservation Commission, 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.

"LPC" shall mean the New York City Landmark Preservation Commission or any successor agency.

"Majority of Residential Unit Owners" shall mean Residential Unit Owners representing more than fifty percent (50%) in aggregate Residential Common Interest appurtenant to all Residential Units or Residential Unit Owners representing more than fifty percent (50%) in aggregate Residential Common Interests of only those Residential Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Residential Unit Owners at which a quorum is present.

"Majority of Unit Owners" shall mean Unit Owners representing more than fifty percent (50%) in aggregate Common Interests appurtenant to all Units or Unit Owners representing more than fifty percent (50%) in aggregate Common Interests of only those Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Unit Owners at which a quorum is present.

"Managing Agent" shall mean the management company or manager named in the Plan or any successor managing agent at the time in question.

"Mezzanine Lender" shall mean Delphi CRE Funding LLC, its successors and assigns or any other lender who provides mezzanine financing to the sole member of Declarant at the time in question.

"Mortgage Lender" shall mean Bank of the Ozarks, its successors and assigns or any other lender who provides mortgage financing to Declarant at the time in question. Mortgage Lender shall automatically be deemed Permitted Mortgagee.

"Mortgage Representative" shall mean not more than 3 representatives designated by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or the By-Laws.

"Non-Purchasing Tenant" shall mean a person who has not purchased a Residential Unit under the Plan and who was a tenant entitled to possession at the time the Plan was declared effective. A person who sublets a Residential Unit from a Purchaser under the Plan is not deemed a Non-Purchasing Tenant.

"Non-Residential Unit" shall mean any of the Non-Residential Unit designated as such in the Declaration together with its Common Interest.

"Non-Residential Unit Owner" shall mean the Unit Owner of the Non-Residential Unit at the time in question.

"Non-Tenant Purchaser" shall mean a Purchaser who is not a Tenant-Purchaser.

"Offeree" shall mean (a) a Purchaser who has executed and delivered a Purchase Agreement for a Residential Unit and who is not in default thereunder, (b) a Residential Unit Owner, and (c) any other Person who, pursuant to Law, is an offeree of the Plan.

"Permanent Certificate of Occupancy" or "PCO" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" shall mean any holder or guarantor of a Permitted Mortgage at the time in question.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

"Person" shall mean any natural person, partnership, corporation, limited liability company, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

"Plan" shall mean that certain Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law pursuant to the GBL and any and all amendments thereto.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the fifth day after mailing to Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), the Units, all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

"Purchase Agreement" shall mean the agreement to purchase a Unit, the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean any Person named as a Purchaser in a Purchase Agreement which has been duly executed by such Person and accepted by Sponsor.

"Register's Office" shall mean the Office of the Register of the City of New York, County of New York.

"Rent Laws" shall mean, collectively, (i) the Emergency Tenant Protection Act of 1974, as amended, (ii) the New York City Rent Stabilization Law of 1969, as amended, (iii) the Rent Stabilization Code, as amended, and (iv) any policies and procedures promulgated thereunder and any administration and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Residential Common Charges" shall mean the Common Charges allocated and assessed by the Condominium Board to the Residential Unit Owners, pro-rata, in accordance with their respective Residential Common Interests to meet the Residential Common Expenses.

"Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Floor Plans, except with respect to the Storage Lockers, which are only available for use by the licensee of the particular Storage Locker.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and/or the Residential Limited Common Elements; or (ii) the

establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Residential Limited Common Elements.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for such Unit Owner's share of the Residential Common Expenses.

"Residential Limited Common Elements" shall mean those portions of the Property (other than the Units, the General Common Elements and the Residential Common Elements), existing for the use and enjoyment of certain Residential Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Floor Plans.

"Residential Unit" shall mean any of the Residential Units designated as a Residential Unit in the Declaration together with its Common Interest. All such Residential Units are, collectively, referred to as the "Residential Units."

"Residential Unit Owner" shall mean any Unit Owner of a Residential Unit at the time in question. All such Residential Unit Owners are, collectively, referred to as the "Residential Unit Owners."

"Residential Rules and Regulations" shall mean the Residential Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws.

"Sales Center" shall mean the sales center for Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information."

"Schedule B" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget." Schedule B is sometimes referred to as the "First Year's Budget."

"Schedule B-1" shall mean the Section of the Plan entitled "Schedule B-1 for Individual Energy Costs."

"Selling Agent" shall mean the selling agent named in the Plan or any successor Selling Agent at the time in question.

"Special Assessment" shall mean the charges allocated and assessed by the Condominium Board 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), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 101 West 78th LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the earlier to occur of: (i) the Closing of Title with Purchasers under the Plan to Residential Units having at least 51% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 5 years after the First Closing, or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board.

"Sponsor's Work" shall mean the work performed by Sponsor at the Property as described in the Plan, as amended, including, without limitation, combining Units and making certain capital repairs, replacements and cosmetic improvements.

"Storage Locker" shall mean any storage locker located in the Storage Locker Area and shall include the structural framework and materials out of which the storage locker is constructed. Each Storage Locker is a Residential Common Element. Any reference in the Plan to "owning a Storage Locker" means that the Residential Unit Owner has entered into a Storage Locker License for the Storage Locker.

"Storage Locker Area" shall mean an area located in the Floor 1 (cellar) and Floor 2 (lobby) of the Building containing the Storage Lockers. The Storage Locker Area is a Residential Common Element.

"Storage Locker License" shall mean the agreement pursuant to which a Storage Locker is licensed.

"Storage Locker Licensee" shall mean any Residential Unit Owner who licenses a Storage Locker at the time in question. All such Residential Unit Owners are, collectively, referred to as "Storage Locker Licensees."

"Subdivision" shall mean the subdivision of a Unit in accordance with the Declaration.

"Temporary Certificate of Occupancy" or "TCO" shall mean a temporary certificate of occupancy for the Building and/or certain Residential Units issued by the Buildings Department.

"Tenant-Purchaser" shall mean a Bona Fide Tenant who purchases the Residential Unit which such Bona Fide Tenant occupied on the Filing Date of the Plan.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Residential Unit as a Residential Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed as part of the original construction of the Building. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces."

"Title Company" shall mean Chicago Title Insurance, having an office at 711 Third Avenue, New York, New York 10017 (telephone: (212) 880-1200, or any successor title company at the time in question.

"Unit" shall mean any of the Units designated as a Unit in the Declaration together with its Common Interest. All such Units are, collectively, referred to as the "Units."

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners."

"Unit Upgrade Funds" shall mean all amounts expended by, or reimbursable to, Sponsor for upgrades or extras requested by Purchaser and agreed to in writing by Sponsor.

"Unsold Residential Unit" shall mean any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Residential Units are, collectively, referred to as the "Unsold Residential Units."

"Unsold Residential Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

"Unsold Storage Locker" shall mean a Storage Locker owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Storage Lockers are, collectively, referred to as the "Unsold Storage Lockers."

"Unsold Unit" shall mean a Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the "Unsold Units."

"Unsold Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

"Zoning Resolution" shall mean the Zoning Resolution of the City of New York, as amended from time to time, or replacement rule, regulation or resolution pertaining to development of a zoning lot.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The following is a general description of the Property as well as certain facilities and services to be provided at the Condominium. For a more detailed description of the Property, see the "Description of Property and Building Condition" contained in Part II of the Plan.

Location

The Property is located at 101 West 78th Street in the Borough of Manhattan, City and State of New York. The Property was built in 1885 and is located in the Upper West Side/Central Park Historic District pursuant to a Notice of Designation dated April 24, 1990. This Designation imposes special restrictions on the construction, alteration, demolition and reconstruction of the Building. Any changes to the exterior of the Building requires the consent of LPC. See Section 4 of the "Description of Property and Specifications" in Part II of the Plan for more details.

Improvements - General Description of Units

The Condominium will consist of Residential Units, a Non-Residential Unit, and Storage Lockers, located within a structure currently comprising 8 above-grade stories, 1 below-grade level, and 1 roof level. As set forth in Special Risk 18 and elsewhere in the Plan, Sponsor intends to construct a new Floor 9 for a Penthouse.

There will also be various amenities for the benefit of the Residential Unit Owners, including a fitness center, pet grooming room, children's playroom, bicycle storage, auto-assist Building entrance door and various utility and service areas located throughout the Building. (See the subsection entitled "Services and Facilities" for details.)

Purchasers should refer to the "Description of Property and Building Condition" contained in Part II of the Plan for more details.

Residential Units

There are currently 28 Residential Units located on Floor 3 through Floor 9, the square footages of which are set forth on Schedule A.

Purchasers are urged to consult the Floor Plans and the "Description of Property and Building Condition" contained in Part II of the Plan for details regarding the Residential Units.

New Penthouse on New 9th Floor

Sponsor plans on constructing additional residential space above the existing 8th floor of the Building to create a 9th floor, which has been approved by the Department of Buildings and LPC. The 9th floor may consist of one or more Residential Units, identified as the Penthouse (except for the Unit 8D "pop-up" defined below). The roof of the Building will thereafter be above the 9th floor. Portions of the new roof will constitute a General Common Element, on which certain mechanical equipment for the Building will be located. The remaining portion of the new roof will be a Limited Common Element consisting of a roof terrace for the exclusive use of the Residential Unit Owner of the new Penthouse. The existing pop-up area above existing and vacant Unit 8E (f/k/a as Apartment 75) (on the same level as the new Penthouse) will be disconnected from Unit 8E and will be incorporated into the new Penthouse). The existing pop-up area above existing Unit 8D (f/k/a Apartment 74) will remain connected to and a part of Unit 8D. Unit 8D is currently occupied by a rent-regulated tenant. A "pop-up" is an upper floor portion of an apartment which is accessible only from the lower portion of the apartment, and not from any other portion of that upper floor. Construction of the new penthouse unit is expected to commence on or about the fourth quarter of 2015 and be completed during 2016.

During the construction of the new Penthouse, while Sponsor will take reasonable steps to diminish, as much as reasonably practicable, the disturbance to the occupants of the 8th floor and other occupied areas of the Building. The occupants of the 8th floor will suffer some level of disturbance during construction activity, including possible temporary relocations paid for by Sponsor, and there are likely to be occasional disruptions to other Building occupants as are typical of constructions projects. Reference is made to the section of the Plan entitled Description of Property and Building Condition contained in Part II of the Plan and to the floor plans for the new Penthouse and the altered Unit 8E contained in the floor plans in Part II of this Plan.

Sponsor will pay all costs and expenses for the construction of the new residential additions contemplated in this Plan. Sponsor will have a right of access and easement through all portions of the Building as may be necessary or appropriate to enable the construction work to proceed and be completed. Such areas include, but are not limited to, stairs, the lobby, the roof, portions of Residential Units, and the elevators. It will be necessary for Sponsor to draw on the Condominium's water, electricity, and gas as needed for construction, and Sponsor agrees to pay all such costs for such utilities to the extent that Sponsor uses same. If such use is not more easily measurable, it shall be deemed to be the extent to which usage during the construction periods exceeds normal average usage during non-construction periods. There may be occasional interruptions of services (i.e., shutting down water supply in connection with the installation of new and/or replacement plumbing), but prior notice will be given of all such interruptions and Sponsor will take a good faith effort to minimize the frequency and length of those interruptions. Construction work will generally be performed during work hours permitted by the New York City Department of Buildings.

All construction work will comply with all applicable statutes and regulations. The actual construction work (including whatever demolition may be required) is expected to commence in or about the four quarter of 2015. Substantial completion of construction (sufficient to obtain at least a TCO for the new Penthouse) is expected to occur by year end 2016. Sponsor represents that, to the best of its knowledge, the Description of Property and Building Condition set forth in Part II of the Plan accurately states the current condition of the Building and the nature of the additions to be constructed.

Any access to Residential Units occupied by Tenant-Purchasers or the interruption of essential services will comply with Law and the warranty of habitability.

Excess Development Rights

By virtue of Sponsor's construction of the new Penthouse, which has been approved by the Department of Buildings, Sponsor is utilizing some, but not all Excess Development Rights appurtenant to the Property. The portion of the Excess Development Rights that are not being utilized by Sponsor is approximately 8,100 square feet. These Excess Development Rights are being reserved by Sponsor and a portion of which may be used to infill an internal shaft in the Building in the future.

As shown on the Floor Plans in Part II of the Plan, Sponsor has received Department of Building's approval to infill an internal air shaft from the 3rd floor through the top of the 7th floor. The size of the air shaft is approximately 190 square feet on each floor.

There are no occupied Residential Units facing the internal air shaft on floors 3 through 7. There is an occupied Residential Unit (Unit 8D) with two (2) windows facing the internal air shaft at the 8th floor. Should Sponsor at some point in the future receive consent from the tenant of Unit 8D in writing to close the two (2) windows facing the internal air shaft, or if the tenant vacates the Residential Unit, Sponsor reserves the right to seek approval from the Department of Buildings and LPC to infill the internal airshaft an additional two (2) floors at the 8th and 9th floors.

Prospective purchasers should be aware of potential construction of the two (2) additional floors that may take place above and adjacent to Residential Units at the 7th and 8th floors which will involve the installation of steel, concrete and interior mechanical systems and finish materials, including drywall

and painting. Such construction, when it occurs may create certain disturbances including, but not limited to noise and vibrations. Sponsor will receive both Department of Building and LPC approvals prior to filling in the internal air shaft at these floors.

Window Closures and Ventilation

Sponsor intends to construct an additional floor on the Building as well as install a new second larger elevator at the Building. As a result of this work, several windows will be sealed.

One window to be sealed is located in the room on the upper level of Residential Unit 8D (f/k/a Apartment 74). This window does not constitute legal source of light or ventilation because its size is less than 12 square feet (it is only approximately 18 inches wide) and the room has an additional window and a glass door to a terrace, both of which are to remain and provide legally compliant light and ventilation to that room. The work to be performed by Sponsor will not increase or decrease the size of Residential Unit 8D.

Two windows to be sealed are located in bathrooms that face an enclosed internal mechanical shaft, one in Residential Unit 8C (f/k/a Apartment 73) and one in the lower level of Residential Unit 8D (f/k/a Apartment 74). Both of these Residential Units are currently occupied by rent-stabilized tenants. Sponsor shall provide new code compliant mechanical ventilation as required by the Department of Buildings in both rooms where a window is closed. The mechanical ventilation will be contained in either a soffit or in a drop-down ceiling. Sponsor has been advised by Sponsor's Architect that those affected bathrooms will retain their status as legal bathrooms, the legal use and enjoyment of those bathrooms will not change, and the closure of those windows will not result in a reduction of the size or square footage of those affected Residential Units.

The other windows that are being closed and sealed are related to the installation of the new elevator that will provide ADA access to all floors of the Building. The existing "grandfathered" elevator does not provide ADA access. The new elevator is large enough to accommodate a hospital bed or gurney. The Residential Unit windows to be closed as a result of the new elevator installation face a brick wall approximately 6 feet away and are in the kitchen and adjacent bathrooms of Residential Units 3A, 4A, 5A, 6A, 7A and 8A (f/k/a Apartments 21, 31, 41, 51, 61 and 71). Only three of those Units (3A/21, 4A/3l, and 8A/71) are currently occupied; 3A/21 and 8A/71 are occupied by rent-controlled tenants and 4A/31 is occupied by a rent-stabilized tenant. The current ventilation in the affected kitchens and bathrooms by windows being closed will be replaced by new mechanical ventilation in a manner compliant with legal ventilation guidelines that will include vents contained in either a soffit along the ceiling or in a drop-down ceiling. This will be the only space taken from the affected apartments by the new mechanical ventilation system. That and the closures of those kitchen and bathroom windows will constitute the only impact that the new mechanical ventilation system will have on the affected apartments. Sponsor has been advised by Sponsor's Architect that, notwithstanding the window closures, upon the installation of that new mechanical ventilation, those affected kitchens and bathrooms will retain their status as legal rooms, the legal use and enjoyment of those kitchens and bathrooms will not change, and the closure of those windows will not result in a reduction of the size or square footage of those affected Residential Units. The window closures and installation of the elements needed for the mechanical ventilation are reflected on plans that have been approved by the New York City Department of Buildings. It is noted that, due to the intended location of the new elevator, a window in the hallway on each floor, just south of the stairway, will also be closed because that is where the entrance door to the new elevator will be located. Reference is made to the section of the Plan entitled Description of Property and Building Condition in Part II of the Plan for further discussion on the new elevator and the window closures.

Steel Beam Condition

In the Description of Property and Building Condition report, in Part II of the Plan, it is disclosed that certain steel beams under the sidewalk vault at the east side of the Building and steel beams under the front steps of the Building are severely corroded and delaminated and need to be further investigated and repaired or replaced as required. Sponsor plans to replace those beams at the sidewalk vault and the front entrance to the Building.

Storage Lockers

The Storage Lockers will be located in the Storage Locker Area of the Building, as set forth on the Floor Plans set forth in Part II of the Plan. The approximate square footages and Purchase Prices of the Storage Lockers are set forth on Schedule A. Use of the Storage Lockers is restricted to Storage Locker Licensees.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor, however, shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject to the provisions of the By-Laws.

Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Storage Locker for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

Non-Residential Unit

The Condominium will contain 1 Non-Residential Unit which is not being offered for sale at this time.

Purchasers should refer to the Section of the Plan entitled "Non-Residential Unit" for a detailed description of the Non-Residential Unit.

Local Law 11

New York City Local Law 11 of 1998 ("Local Law 11") which requires periodic examinations of the physical condition of certain exterior walls applies to the Building. Set forth in Part II of the Plan is a copy of the Local Law 11 Report ("Local Law 11 Report") issued for the Building.

Sponsor shall, at its sole cost and expense, make all necessary repairs to the Building as indicated in the Local Law 11 Report and in accordance with Law.

Services and Facilities

The services and facilities described below will be provided to Residential Unit Owners and are included in the Common Charges, unless otherwise specified below.

(a) Residential Lobby

There will be a residential lobby located on Floor 2 (lobby floor) for the use and enjoyment of the Residential Unit Owners.

(b) Residential Lobby Attendant

A lobby attendant will be stationed in the residential lobby 24 hours a day, 7 days a week.

(c) Building Staff

The staff of the Condominium will be supervised by the Managing Agent. Purchasers should refer to the Footnotes to Schedule B for a complete description of the Building staff. The Condominium will have a Non-Resident Manager.

(d) Residential Elevator Service

All automatic passenger elevators will be in service 24 hours a day, 7 days a week, subject to temporary interruptions for repair or maintenance. The existing elevator will be refurbished and a new elevator will be added as a part of Sponsor's Work. Purchasers should refer to the Description of Property and Building Condition set forth in Part II for details concerning the passenger elevators.

Sponsor reserves the right to restrict access to any full floor Residential Unit, solely to the individual owner/occupant of such Unit, by way of elevator lock off, or other means permissible by Law.

(e) Telecommunications

The Building will be pre-wired for telephone, cable television, and internet services which residents will be able to subscribe for with the service provider. Charges for activating cable television, installing and attaching appropriate receptacles, additional installations and monthly usage charges will be determined by and payable directly to the cable company by each resident subscribing for and activating such service. Sponsor reserves the right to enter into an agreement with a service provider to provide a building wide internet access package, the monthly cost of which will be paid by the Condominium Board and billed to each Residential Unit Owner as a Residential Common Expense.

(f) Mail

All incoming mail will be delivered to the Building and will either, as determined by the Condominium Board, be delivered to the individual Residential Units by Building staff or placed by the United States Postal Service in mail boxes located in the residential lobby of the Building.

(g) Laundry Facilities

Each renovated Residential Unit will contain a washing machine and dryer. There will not be a common laundry room located in the Building.

(h) Refuse Disposal

There are recycling bins and access to refuse chutes located on each floor containing Residential Units. The refuse chutes lead directly to a compactor located in the compactor room on Floor 1 (cellar).

(i) Intercom System

Each Residential Unit will be equipped with an intercom telephone system which enables the occupants to communicate directly with the lobby attendant over a standard touch tone telephone. The system does not have video capabilities. Sponsor reserves the right to substitute an alternate service to enable communication between the lobby attendant and the residents.

(j) Smoke and Carbon Monoxide Detector/Sprinklers

A combination smoke and carbon monoxide detector is provided in each Residential Unit. Additionally, the Building common areas and all Residential Units will be fully sprinklered.

(k) Service Entrance

There is a service entrance located at Floor 1 (cellar) along 78th Street. Hours of access to the service entrance may be regulated by the Condominium Board in its sole discretion.

(l) Fitness Center

An unattended Fitness Center will be located on Floor 2 (lobby) which will contain various exercise equipment leased by the Condominium Board. Use of the Fitness Center is restricted to Residential Unit Owners and their Permitted Users.

(m) Sales Center Furniture, Furnishings and Equipment

Sponsor reserves the right to utilize the furniture, furnishings and equipment through-out various parts of the Building which were used in the Sales Center. All such furniture, furnishings and equipment, however, will be re-conditioned, if needed.

(n) Pet Grooming Room

An unattended pet grooming room will be located on Floor 1 (cellar) which will contain facilities to groom pets. Use of the pet grooming room is restricted to Residential Unit Owners and their Permitted Users.

(o) Children's Playroom

An unattended children's playroom will be located on Floor 2 (lobby) which will contain various children's toys and furniture. Use of the children's playroom is restricted to Residential Unit Owners and their Permitted Users.

Marketing Materials

In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legal permitted uses of such areas or rooms.

General

Use of the services and facilities shall be available only to individuals who reside in a Residential Unit in the Building (i.e., a Residential Unit Owner or permitted tenant) and such individual's guests, provided that such Residential Unit Owner or tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board, including, without limitation, the right to impose usage fees and restrictions on hours of access, use and/or service, as applicable.

The Building will be maintained, operated and staffed in a manner to be determined by the Condominium Board. Prospective Purchasers are urged to carefully review Schedule B in Part I of the Plan and the "Description of Property and Building Condition" set forth in Part II of the Plan, for a description of the services presently being provided. Sponsor makes no representation that the aforesaid services will continue to be provided. Notwithstanding the foregoing, however, the Condominium Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Laws and any rights of Non-Purchasing Tenants under the GBL. Except as otherwise consented to in writing by Sponsor, the Condominium Board shall operate the Property at the same level of services as those supplied on the date of recording the Declaration in accordance with the Rent Laws, provided only if any Residential Units are subject to Rent Laws on such date and only for so long as any Residential Units are subject to the Rent Laws, except for those services, if any, that are the obligation of Sponsor to provide under the terms of the Declaration or the Plan. The Condominium Board shall not impose any charge or fee against the tenants or occupants of the Residential Units owned by Sponsor or against Sponsor on account of any services provided to such tenants and occupants unless Sponsor is entitled and thereafter permitted by the Rent Laws to impose such charge or fee against such tenants or occupants. Such permitted charge or fee may be increased by the Condominium Board, but only to the extent Sponsor or the owner of the occupied Residential Units would be entitled and thereafter permitted to charge its tenants or occupants such increased charges or fees under the Rent Laws. If, as the result of the aforesaid limitations on the Condominium Board, the amount of such charges or fees collected is insufficient to cover the cost of providing such service(s), then such additional cost will be included in Residential Common Charges and borne by all Residential Unit Owners based on their Residential Common Interest.

Purchasers are advised that some of the services and facilities described in the Plan (such as a full staff of Building personnel and usage of certain amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any of the services and/or facilities are not available for use on or after Purchaser's Closing. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce the Common Charges for the period in which such services and/or facilities are not available.

Except as otherwise noted above, and except as otherwise required under the Rent Laws (if and to the extent applicable), all determinations with respect to the continuance of services and Facilities for the Building will be made by the Condominium Board, which, until the expiration of the Sponsor Control Period, will be controlled by Sponsor (see the Section of the Plan entitled "Control by Sponsor").

LOCATION AND AREA INFORMATION

Location

The Property is located at 101 West 78th Street (a/k/a 380 Columbus Avenue) in the Borough of Manhattan in the City and State of New York. The Property is located at the corner of 78th Street and Columbus Avenue.

Surrounding Area, Shopping, Culture and Recreation

Located in close proximity to the Condominium are luxury residences, office buildings, museums (including the nearby Museum of Natural History), art galleries, hotels, parks, and retail establishments, including supermarkets, drugstores, dry cleaners and banks.

There are also many museums, libraries, theaters, and cultural institutions in the New York area.

Transportation

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

Transportation to and from the Condominium, and through New York City, is available by taxi, limousine, private automobiles, subway or bus. A number of commercial parking garages are located nearby. Sponsor makes no representations concerning the continued existence of any of the named transportation lines.

Medical, Educational, and Religious Facilities

A number of medical centers are located within close proximity to the Building, such as New York Hospital, Weill-Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Langone Medical Center, Mount Sinai Medical Center and Columbia University Presbyterian Medical Center.

Private schools, public schools and parochial schools on the elementary, middle school and high school levels are located within walking distance of the Condominium. There are many colleges, universities, and other educational centers available in the New York City area.

There are houses of worship of most major denominations in the vicinity of the Condominium. Sponsor makes no representations concerning the continued existence of any of the named establishments.

Municipal Services

The City of New York will provide water, sanitation, police and fire services to the Building.

Police station precinct number 20 is located at 120 West 82nd Street, New York, New York 10024.

Fire station number 74 is located at 120 West 83rd Street, New York, New York 10024.

Mailing Address

The mailing address for the Residential Units is 101 West 78th Street, New York, New York 10024.

The mailing address for the Non-Residential Unit is 380 Columbus Avenue, New York, New York 10024.

Zoning

The Property is located within a C1-8 zoning district and a EC-2 special zoning district in which residential and commercial use is permitted.

Historic District

The Building is located within the upper West Side/Central Park West Historic District. As a result, no alterations may be made to the Building façade without LPC approval.

General

Sponsor makes no representations to the continued existence of any of the named establishments or transportation lines. Additionally, no representation is made that future construction in the neighborhood surrounding the Condominium will not result in the obstruction of the views from any windows and/or Terraces.

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

101 WEST 78 CONDOMINIUM

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operation (1/1/17-12/31/17)

Residential Unit	Rent Regulatory Status	Number Bedrooms (BR) / Bathrooms (BA) / Study (ST)(1)	Unit Square Footage (2)	Exterior Square Footage (2)	Offering Price For Tenant Purchasers (3)	Offering Price For Non-Tenant Purchasers (3)	Common Interest (4)	Residential Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Annual Common Charges (5)	Estimated Monthly Real Estate Taxes (6)	Estimated Annual Real Estate Taxes (6)	Estimated Total Monthly Carrying Charges (7)	Estimated Total Annual Carrying Charges (7)
3A	RC	2BR/1BA	1,523		$ 1,523,000.00	$ 2,531,000.00	2.3814%	2.8766%	$ 2,516.12	$ 30,193.42	$ 1,795.50	$ 21,546.02	$ 4,311.62	$ 51,739.44
3B	Vacant	5BR/4.5BA	4,130			$ 10,290,000.00	6.4577%	7.8007%	$ 6,823.09	$ 81,877.10	$ 4,868.96	$ 58,427.48	$ 11,692.05	$ 140,304.58
3C	Vacant	3BR/2.5BA	2,345	385		$ 5,650,000.00	3.8172%	4.6110%	$ 4,033.14	$ 48,397.69	$ 2,878.05	$ 34,536.58	$ 6,911.19	$ 82,934.27
4A	RS	2BR/1BA	1,523		$ 1,523,000.00	$ 2,590,000.00	2.3814%	2.8766%	$ 2,516.12	$ 30,193.42	$ 1,795.50	$ 21,546.02	$ 4,311.62	$ 51,739.44
4B	Vacant	5BR/4.5BA	4,104			$ 10,790,000.00	6.4170%	7.7516%	$ 6,780.14	$ 81,361.65	$ 4,838.30	$ 58,059.66	$ 11,618.44	$ 139,421.31
4C	Vacant	3BR/2.5BA	2,345			$ 5,690,000.00	3.6667%	4.4292%	$ 3,874.13	$ 46,489.54	$ 2,764.58	$ 33,174.93	$ 6,638.71	$ 79,664.47
5A	Vacant	3BR/2.5BA	2,369			$ 5,950,000.00	3.7042%	4.4746%	$ 3,913.78	$ 46,965.34	$ 2,792.87	$ 33,514.46	$ 6,706.65	$ 80,479.80
5B	Vacant	4BR/3.5BA	3,302			$ 8,590,000.00	5.1630%	6.2368%	$ 5,455.17	$ 65,462.03	$ 3,892.81	$ 46,713.69	$ 9,347.98	$ 112,175.72
5C	Vacant	3BR/2.5BA	2,345			$ 5,950,000.00	3.6667%	4.4292%	$ 3,874.13	$ 46,489.54	$ 2,764.58	$ 33,174.93	$ 6,638.71	$ 79,664.47
6A	Vacant	2BR/2.5BA	1,776			$ 3,690,000.00	2.7770%	3.3545%	$ 2,934.09	$ 35,209.13	$ 2,093.77	$ 25,125.23	$ 5,027.86	$ 60,334.36
6B	RS	1BR/1BA	681		$ 681,000.00	$ 1,163,000.00	1.0648%	1.2863%	$ 1,125.07	$ 13,500.80	$ 802.85	$ 9,634.17	$ 1,927.91	$ 23,134.97
6C	Vacant	3BR/3.5BA	3,035			$ 8,150,000.00	4.7455%	5.7325%	$ 5,014.06	$ 60,168.76	$ 3,578.03	$ 42,936.42	$ 8,592.10	$ 103,105.18
6D	RC	1BR/1BA	974		$ 974,000.00	$ 1,679,000.00	1.5230%	1.8397%	$ 1,609.13	$ 19,309.51	$ 1,148.27	$ 13,779.27	$ 2,757.40	$ 33,088.78
6E	Vacant	1BR/1.5BA	1,231			$ 2,450,000.00	1.9248%	2.3251%	$ 2,033.71	$ 24,404.53	$ 1,451.26	$ 17,415.07	$ 3,484.97	$ 41,819.60
7A	Vacant	2BR/2.5BA	1,842			$ 4,050,000.00	2.8802%	3.4792%	$ 3,043.13	$ 36,517.58	$ 2,171.58	$ 26,058.94	$ 5,214.71	$ 62,576.52
7B	RS	1BR/1BA	615		$ 615,000.00	$ 1,071,000.00	0.9616%	1.1616%	$ 1,016.03	$ 12,192.35	$ 725.04	$ 8,700.46	$ 1,741.07	$ 20,892.81
7C	RS	2BR/1BA	1,175		$ 1,175,000.00	$ 2,174,000.00	1.8372%	2.2193%	$ 1,941.19	$ 23,294.33	$ 1,385.24	$ 16,622.83	$ 3,326.43	$ 39,917.16
7D	Vacant	2BR/2.5BA	1,860			$ 3,850,000.00	2.9083%	3.5132%	$ 3,072.87	$ 36,874.43	$ 2,192.80	$ 26,313.59	$ 5,265.67	$ 63,188.02
7E	RS	1BR/1BA	974		$ 974,000.00	$ 1,713,000.00	1.5230%	1.8397%	$ 1,609.13	$ 19,309.51	$ 1,148.27	$ 13,779.27	$ 2,757.40	$ 33,088.78
7F	Vacant	1BR/1.5BA	1,231			$ 2,450,000.00	1.9248%	2.3251%	$ 2,033.71	$ 24,404.53	$ 1,451.26	$ 17,415.07	$ 3,484.97	$ 41,819.60
8A	RC	3BR/1BA	1,727		$ 1,727,000.00	$ 3,022,000.00	2.7003%	3.2620%	$ 2,853.14	$ 34,237.71	$ 2,036.00	$ 24,432.02	$ 4,889.14	$ 58,669.73
8B	Vacant	2BR/1BA	721			$ 1,550,000.00	1.1274%	1.3618%	$ 1,191.15	$ 14,293.80	$ 850.00	$ 10,200.05	$ 2,041.15	$ 24,493.85
8C	RS	2BR/1BA	1,227		$ 1,227,000.00	$ 2,301,000.00	1.9185%	2.3176%	$ 2,027.10	$ 24,325.23	$ 1,446.54	$ 17,358.48	$ 3,473.64	$ 41,683.71
8D (DUPLEX)	RS	2BR/2BA	1,095	234	$ 1,095,000.00	$ 2,738,000.00	1.8036%	2.1787%	$ 1,905.67	$ 22,868.09	$ 1,359.89	$ 16,318.67	$ 3,265.56	$ 39,186.76
8E	Vacant	1BR/1BA	768			$ 1,590,000.00	1.2008%	1.4506%	$ 1,268.80	$ 15,225.57	$ 905.41	$ 10,864.97	$ 2,174.21	$ 26,090.54
8F	RS	1BR/1BA	978		$ 978,000.00	$ 1,754,500.00	1.5292%	1.8472%	$ 1,615.73	$ 19,388.81	$ 1,152.99	$ 13,835.85	$ 2,768.72	$ 33,224.66
8G	Vacant	1BR/1.5BA	1,231			$ 2,490,000.00	1.9248%	2.3251%	$ 2,033.71	$ 24,404.53	$ 1,451.26	$ 17,415.07	$ 3,484.97	$ 41,819.60
Penthouse		4BR/6BA	4,465	4,788		$ 18,500,000.00	8.8531%	10.6944%	$ 9,354.08	$ 112,248.94	$ 6,675.07	$ 80,100.82	$ 16,029.15	$ 192,349.76
Residential Unit Sub-Total			**51,592**	**5,407**	**$ 12,492,000.00**	**$ 124,416,500.00**	**82.7831%**	**100.0000%**	**$ 87,467.32**	**$ 1,049,607.87**	**$ 62,416.67**	**$ 749,000.00**	**$ 149,883.99**	**$ 1,798,607.87**
Non-Residential Unit														
Non-Residential Unit			11,011			N/A	17.2169%	N/A	$ 3,077.80	$ 36,933.56	$ 13,041.67	$ 156,500.00	$ 16,119.46	$ 193,433.56
Non-Residential Unit			**11,011**			**N/A**	**17.2169%**	**N/A**	**$ 3,077.80**	**$ 36,933.56**	**$ 13,041.67**	**$ 156,500.00**	**$ 166,003.45**	**$ 193,433.56**
		TOTALS	**62,603**	**5,407**	**$ 12,492,000.00**	**$ 124,416,500.00**	**100.0000%**	**100.0000%**	**$ 90,545.12**	**$ 1,086,541.43**	**$ 75,458.33**	**$ 905,500.00**	**$ 315,887.44**	**$ 1,992,041.43**

Schedule A-1

101 WEST 78 CONDOMINIUM

(Available for purchase by Non-Tenant Purchasers Only)

Schedule A-1: Purchase Prices for Storage Locker License Agreement and Related Information for the Projected First Year of Condominium Operation (1/1/17-12/31/17)

Storage Locker	Storage Locker Square Footage	Purchase Price	License Fee Per Month	License Fee Per Year
1	62	$ 68,000	$ 124.00	$ 1,488.00
2	62	$ 68,000	$ 124.00	$ 1,488.00
3	24	$ 26,000	$ 48.00	$ 576.00
4	24	$ 26,000	$ 48.00	$ 576.00
5	33	$ 36,000	$ 66.00	$ 792.00
6	29	$ 32,000	$ 58.00	$ 696.00
7	32	$ 35,000	$ 64.00	$ 768.00
8	31	$ 34,000	$ 62.00	$ 744.00
9	37	$ 41,000	$ 74.00	$ 888.00
10	22	$ 24,000	$ 44.00	$ 528.00
11	28	$ 31,000	$ 56.00	$ 672.00
12	28	$ 31,000	$ 56.00	$ 672.00
13	27	$ 30,000	$ 54.00	$ 648.00
14	27	$ 30,000	$ 54.00	$ 648.00
15	27	$ 30,000	$ 54.00	$ 648.00
16	27	$ 30,000	$ 54.00	$ 648.00
17	23	$ 25,000	$ 46.00	$ 552.00
18	38	$ 42,000	$ 76.00	$ 912.00
TOTAL	**581**	**$ 639,000**	**$ 1,162**	**$ 13,944**

Notes to Schedule A

(1) Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation within reasonable tolerances of the dimensions and typical layouts of the Residential Units. The number of bedrooms and bathrooms for each Residential Unit was determined by Sponsor's architect in accordance with the method of measurement set forth below and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York or the New York State Division of Housing and Community Renewal. Each Residential Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

(2) The square footage of the Units listed in Schedule A or in the Declaration are approximate within reasonable tolerances and were obtained by using the method customarily used in New York City to measure condominium units. The Units were measured from the exterior side of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from the public corridors, stairs, elevators and other mechanical equipment spaces or any common elements or limited common elements. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and the sub-floor materials) to the underside of the floor slab above. As is customary in New York, these square footages exceed the usable floor area of each Unit. The method of measurement is applicable to all Units. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit. Terraces shown on Schedule A are Residential Limited Common Elements.

Certain of the Residential Units are subject to the Rent Laws as of the Filing Date of the Plan, as indicated on Schedule A, if applicable. Next to each Residential Unit number is either the vacancy or rental status of such Residential Unit.

(3) (a) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Residential Units may be negotiated by Sponsor (other than Tenant-Purchasers until the effective date of the Plan) and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Residential Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments". If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Units at the Closing. The Purchase Prices for the Storage Lockers and the monthly Storage Locker License fee is set forth on Schedule A-1. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

(b) Each Bona Fide Tenant has the exclusive right to purchase only the Residential Unit such Bona Fide Tenant occupies on the Filing Date within the first 90 days from the Presentation Date of the Plan, at a price equal to $1,000 a square foot as set forth on Schedule A. See the Section of the Plan entitled "Changes in Prices and Units" concerning other terms of sale.

(c) The aggregate monthly rents payable by the tenants of Residential Units in the Building is approximately $14,486 as of July 1, 2015.

(4) (a) The Common Interest of each Unit in the Common Elements has been determined pursuant to the method set forth in Real Property Law Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in

the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

(5) The estimated monthly Common Charges for each Unit are based on Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from January 1, 2017 - December 31, 2017. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit. Business Improvement District taxes currently assessed against the Building have been incorporated into the Residential Common Expenses set forth in Schedule B. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Residential Units.

(6) The New York City real estate taxes for the First Year of Condominium Operation, which have been estimated by Sponsor's Real Estate Tax Counsel, Podell Schwartz Schechter & Banfield, to be as follows based upon their estimated assessed valuations and tax rates: Residential Units $749,000, and the Non-Residential Unit $156,500. No representation is made or assurance given as to what the actual tax rates or assessed valuations will be for such period. The Property which was formerly designated as base tax lot 29 was apportioned into 2 condominium tax lots – a Non-Residential Unit (Lot 1301) and a Residential Unit (Lot 1302) beginning with the 2014/2015 tax year. The tentative 2016/2017 assessed values and estimated 2016/2017 tax rates and real estate taxes (based on the most recent 2015/2016 tax rates passed by the City Council) as well as tax rates and assessed valuations for the current and two preceding tax years are as follows:

Residential Unit (Tax Lot 1302)

Tax Year	Class "2" Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Taxable Value	Annual Real Estate Tax
2016/2017	$12.883*	$3,906,685	$4,307,850	$3,906,685	$504,000*
2015/2016	$12.883	$3,615,223	$4,198,977	$3,615,223	$465,750
2014/2015	$12.855	$3,293,704	$4,198,832	$3,293,704	$423,406

*Estimated 2016/2017 Tax Rate and Real EstateTaxes.

Non-Residential Unit (Tax Lot 1301)

Tax Year	Class "4" Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Taxable Value	Annual Real Estate Tax
2016/2017	$10.656*	$1,230,436	$2,761,650	$1,230,436	$132,000*
2015/2016	$10.656	$771,302	$1,588,050	$771,302	$82,190
2014/2015	$10.684	$538,415	$686,376	$538,415	$57,524

*Estimated 2016/2017 Tax Rate and Real Estate Taxes.

Former Base Tax Lot 29

Tax Year	Class "2" Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Taxable Value	Annual Real Estate Tax
2013/2014	$13.145	$3,492,280	$4,158,900	$3,492,280	$459,061

As more fully explained in the Opinion of Counsel re: Real Estate Tax Projection set forth in Part I of the Plan, New York provides that the aggregate of the assessment of the Units plus their Common Interests shall not exceed the total valuation of the Property were the Property assessed as one parcel.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Register's office. For purposes of Schedule A, the projected real estate taxes for the Units were based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the offering price set forth in Schedule A for each Unit bears to the gross sellout price for all Units offered for sale in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, its principals, Selling Agent, Real Estate Tax Counsel, Income Tax Counsel or any offeror be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the

payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

In the opinion of Olshan Frome & Wolowsky a copy of which is set forth in Part I of the Plan, a Residential Unit Owner who uses the Residential Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in future years due to changes in the interest rate or the Residential Unit Owner's mortgage or from changes in the allocation of the 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. Sponsor makes no guaranty or warranty concerning the availability of any tax deductions. (See the Section of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" for more details.)

There are no tax certiorari proceedings currently pending.

(7) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Residential Unit Owners.

A Purchaser of a Residential Unit will be required to make a non-refundable contribution at the Closing of Title to the Working Capital Fund in an amount equal to 2 months' Common Charges with respect to the Residential Unit based on the Condominium budget in effect on the Closing Date of the Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B

101 WEST 78 CONDOMINIUM

101 West 78th Street
New York, NY
Projected Budget for the Projected First Year of Condominium Operation (See Note 1)
January 1, 2017 to December 31, 2017

ESTIMATED INCOME

Common Charges – Residential Units (Note 2)	$ 1,049,608
Common Charges – Non-Residential Unit (Note 2)	$ 36,934
License Fee – Storage Lockers (3)	$ 13,944
Total Estimated Common Charges	$ 1,100,485

ESTIMATED EXPENSES (Note 4)

Payroll and Related Expenses (Note 5)	$ 368,540
Gas (Residential Heat & Hot Water (Note 6)	$ 126,761
Gas (Shared Heat & Hot Water) (Note 7)	$ 51,889
Gas (Cooking and Dryers) (Note 8)	$ 26,980
Electricity (Note 9)	$ 83,164
Water Charges and Sewer Rent (Note 10)	$ 26,001
Repairs and Maintenance (Note 11)	$ 38,000
Service Contracts (Note 12)	$ 204,800
Insurance (Note 13)	$ 41,750
Management Fee (Note 14)	$ 40,000
Non-Resident Managers Expense (Note 15)	$ 42,600
Legal and Audit (Note 16)	$ 15,000
Other Expenses (Note 17)	$ 15,000
Contingencies (18)	$ 20,000
Total (Note 19)	$ 1,100,485

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

ALLOCATION OF COMMON EXPENSES BETWEEN RESIDENTIAL AND NON-RESIDENTIAL UNIT

(see detailed notes which follow)

Common Expenses	Total Expenses	Method of Allcation	Residential Units Share	Non-Residential Unit Share
%			82.7831%	17.2169%
Payroll & Benefits	$ 368,540	See Note	$ 363,835	$ 4,705
Electricity	$ 83,164	See Notes	$ 83,164	Sub-Metered
Gas (Heat and Hot Water Residential Only)	$ 126,761	See Notes	$ 126,761	N/A
Gas (Heat and Hot Water Shared)	$ 51,889	See Notes	$ 45,271	$ 6,618
Gas (Cooking and Dryers	$ 26,980	See Notes	$ 26,980	N/A
Water Charges and Sewer Rent	$ 26,001	See Notes	$ 26,001	Sub-Metered
Rapairs and Maintenance	$ 38,000	See Notes	$ 36,795	$ 1,205
Service Contracts	$ 204,800	See Notes	$ 203,078	$ 1,722
Insurance	$ 41,750	% Common Interest	$ 34,562	$ 7,188
Management Fee	$ 40,000	% Common Interest	$ 33,113	$ 6,887
Non-Resident Managers Unit	$ 42,600	100% Residential	$ 42,600	N/A
Legal and Audit	$ 15,000	% Common Interest	$ 12,417	$ 2,583
Other Expenses	$ 15,000	% Common Interest	$ 12,417	$ 2,583
Contingency	$ 20,000	% Common Interest	$ 16,557	$ 3,443
Sub-Total	**$ 1,100,485**		**$ 1,063,552**	**$ 36,934**
Storage Units (Income)			$ 13,944	
Total	**$ 1,100,485**		**$ 1,049,608**	**$ 36,934**

All Common Charges have been allocated based upon each Unit's Common Interest unless otherwise stated.

A. The Non-Residential Unit Owner's share of Repairs and Maintenance expenses is based on its Common Interest applied to the costs of the following Repair and Maintenance expense only: Window Locks and Doors and General Repairs.

B. The Non-Residential Unit Owner's share of Service Contract expenses is based on its Common Interest applied to the costs of the following Service Contracts only: exterminating and telephone.

C. The Non-Residential Unit Owner's share of Labor is based on 10% of the labor and benefits as applied to the Superintendent only. The Non-Residential Unit Owner will not share in the cost of the lobby attendents.

D. Gas for Heat and Hot Water that is shared betwen the Residential and Non-Residetnail Units is allocated based on the percentage of ownership based on gross square footage. The Residential has been allocated 87.2455% and the Non-Residential Unit has been allocated 12.7545% of this expense.

NOTES TO SCHEDULE B

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

(1) Projected First Year of Condominium Operation

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from January 1, 2017 to December 31, 2017. The actual First Year of Condominium Operation may be earlier or later than projected.

If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected First Year of Condominium Operation, Sponsor will amend the Plan to include a revised budget disclosing current projections ("Revised Budget Amendment"). If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all Purchasers that entered into Purchase Agreements prior to the Filing Date of the Revised Budget Amendment the right to rescind for a period of fifteen (15) days after the Presentation Date of the Revised Budget Amendment..

(2) Common Charges

These amounts represent the total Common Charges to be levied against, and collected from, the Residential Unit Owners and the Non-Residential Unit Owner during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between the Residential Unit Owners and the Non-Residential Unit Owner based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Non-Residential Unit Owner will only be obligated to pay its respective allocable share of those expenses that are incurred by the Condominium Board in furnishing services, operating and maintaining those Common Elements which are utilized by and serve the Non-Residential Unit. Those Common Charges that have been allocated on the basis of Common Interest have been allocated on such a basis as follows: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Residential Units, for a total of 82.7831%. Common Charges to be borne by the Non-Residential Unit Owner has been allocated on the basis of such the non-Residential Unit's Common Interest for a total of 17.2169%.

The Non-Residential Unit Owner's obligation to pay Common Charges is based upon its percentage of Common Interest in the Building times the projected expenses specific to the

Non-Residential Unit set forth in the budget. As set forth in Schedule B, the Non-Residential Unit Owner is obligated to pay as part of its monthly Common Charges a portion of the following expenses: payroll; repairs and maintenance; service contracts; insurance; management fees; legal and audit fee; other miscellaneous expenses and contingency. The Non-Residential Unit Owner is not obligated to pay any part of electricity, gas for cooking, water and sewer charges since such budget line items exclusively benefits the Residential Unit Owners, and are services which are not fairly attributable to the Non-Residential Unit's use of the Common Elements. In accordance with Article THIRTEENTH of the Declaration and Article VI, Section 8 of the By-laws, the Condominium Board is authorized, pursuant to Real Property Law § 339-m to specially allocate various expenses among the Residential and Non-Residential Unit Owners to the extent various services and budget items benefit the respective Units more.

(3) License Fees for Storage Lockers: $13,944

There are a total of 18 Storage Lockers. The Condominium will charge a license fee for the use of each Storage Locker. Each Storage Locker Licensee will be charged a monthly License Fee. The Monthly License Fee projected herein are based upon estimated expenses for the twelve (12) month period commencing January 1, 2017. The Common Charges will be offset by the income derived by the Storage Locker License Fees in the amount of $13,944.

The Storage Locker License fee will be subject to increases based on the percentage increase in subsequent budgets approved by the Condominium Board or as otherwise as the Condominium Board deems necessary in its discretion.

(4) Estimated Expenses

Common Charges include the costs and expenses in connection with the maintenance and operation of, and any alteration to, the Common Elements and the provision of services to all Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who will provide services to the entire Condominium, the Condominium Managing Agent, and insurance coverage for the Common Elements.

(5) Payroll and Related Expenses: $368,540

The Building staff shall consist of:

Position and Number	Weekly Rate	Total
Full-Time Superintendent (1) (40 hour per week)	$1,346 X 52	$ 70,000
Lobby Attendants (3.2) (16 hours per day 7 days per week plus 8 hours per day Saturday and Sunday.	$880 X 52	$ 146,432
Porters (1)	$800 X 52	$ 41,600
Sub-Total:		**$ 258,032**
Overtime	4% of Base Wages	$ 10,321
Vacation, Sick & Holiday	10% of Base Wages	$ 25,803

Gross Wages:		**$ 294,156**
Health Benefits	Annually -$6,240 X 5 full time employees	$ 31,200
Payroll Taxes	See Schedule Below	$ 43,183
Total Payroll and Related:		**$ 368,540**

There will be a combination of full-time and part-time employees and the Building is classified as Class "A" for the purpose of defining the wage scale. The Building's staff will be non-union and wages will meet state minimum wage laws. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, First Service Residential, in managing comparable buildings. Such level of staffing complies with all applicable housing and labor laws.

In addition to the staffing listed above, there will be a third party concierge services, Abigail Michaels Concierge Service, who will provide an employee to act as the Building's lobby attendant for 40 hour per week, Monday through Friday. The cost of this service will be $130,000 per year. The concierge service expense is included in Service Contacts and Supplies.

The Non-Residential Unit will utilize the services of the Superintendent. The Non-Residential Unit has been allocated its percentage of Common Interest of the Payroll and Benefit expense related to the Superintendent and will allocate this expense as part of its Common Charges on a monthly basis.

The following expenses are mandated by Law for each employee:

FICA Employer	7.65% of Wages	7.65%	$ 22,509
NY State Unemployment	(1st $14,000)	9.9%	2,156
Federal Unemployment	(1st $8,500)	0.80%	2,184
State Disability Insurance	(Yearly)	$45.00	162
Workers Compensation	5.5% of Wages	5.5%	$ 16,179
		TOTAL	**$368,540**

(6) **<u>Gas (Residential Heat, Domestic Hot Water): $126,761</u>**

Based on an estimate dated July 21, 2015 by Edwards and Zuck, Consulting Engineers, located at 315 Park Avenue South, New York, New York, 10010, it is anticipated that heat and hot water will be provided to the Residential Units only by natural gas and will cost $126,761. This estimate is based on a projected usage of 68,372 Therms of gas per year at an anticipated average cost of $1.80 X 103% per Therm to factor in for inflation.

This estimate is based upon the projections provided by Edwards & Zuck D.P.C and includes a 3.0% annual inflation factor.

(7) Gas (Shared Heat, Domestic Hot Water): $51,889

Based on an estimate dated July 21, 2015 by Edwards and Zuck, Consulting Engineers, located at 315 Park Avenue South, New York, New York, 10010, it is anticipated that heat, hot water will be provided to the Residential and Non-Residential Units by natural gas and will cost $51,889. This estimate is based on a projected usage of 27,988 Therms of gas per year at an anticipated average cost of $1.80 X 103% per Therm to factor in for inflation.

This estimate is based upon the projections provided by Edwards & Zuck D.P.C and includes a 3.0% annual inflation factor.

(8) Gas (Cooking and Dryers): $26,980

Based on an estimate dated July 21, 2015 by Edwards and Zuck, Consulting Engineers, located at 315 Park Avenue South, New York, New York, 10010, it is anticipated that gas for cooking and dryer will be provided to the Residential Units by natural gas and will cost $26,980. This estimate is based on a projected usage of 14,556 Therms of gas per year at an anticipated average cost of $1.80 X 103% per Therm to factor in for inflation. The Non-Residential Unit will be separately metered.

This estimate is based upon the projections provided by Edwards & Zuck D.P.C and includes a 3.0% annual inflation factor.

(9) Electricity: $83,164

Based on an estimate dated July 21, 2015 by Edwards and Zuck, Consulting Engineers, located at 315 Park Avenue South, New York, New York, 10010, it is anticipated that light and power for the Common Elements as well as the mechanical equipment will be approximately 354,206 KW/HR/YR at an annual cost of $.23 X 103% per KW/HR to factor in for inflation. The Non-Residential Unit will be separately metered.

Electricity (including current necessary to operate HVAC Systems) shall be supplied to all Units through a separate Con Edison meter for each such Unit, and the cost of electricity consumed or used in each such Unit or any Residential Limited Common Elements appurtenant thereto shall be payable directly to Con Edison.

This estimate is based upon the projections provided by Edwards & Zuck D.P.C and includes a 3.0% annual inflation factor.

(10) Water Charges and Sewer Rent: $26,001

Based on an estimate dated of July 21, 2015 by Edwards and Zuck, Consulting Engineers, located at 315 Park Avenue South, New York, New York, 10010, it is anticipated that water charges for the Residential Units and all Common Elements, will be approximately $26,001 based on a combined rate of $9.58 per 100 cubic feet of water used X 103% to factor in for inflation.

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building.

Water charges and sewer rents for the Non-Residential Unit will be separately sub-metered.

This estimate is based upon the projections provided by Edwards & Zuck D.P.C and includes a 3.0% annual inflation factor.

(11) Repairs and Maintenance: $38,000

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

Supplies and Hardware	$ 20,000
Plumbing	$ 2,500
Electrical	$ 2,500
Intercom	$ 1,500
Window, Lock and Doors	$ 2,000
Plastering and Painting	$ 2,500
Elevator Repairs (Not Covered by Contract)	$ 2,000
General Repairs	$ 5,000
Total	**$ 38,000**

This estimate is based on experience of Sponsor's budget expert, FirstService Residential New York, Inc., in operating comparable buildings.

(12) Service Contracts and Supplies: $204,800

This estimate includes the cost of various services used in or for the Common Elements, including but not limited to elevator service, fire systems and window washing.

Elevator Maintenance	$ 24,000
Exterminating	$ 2,500
Central Station Monitoring	$ 2,200
Fire Extinguishers	$ 500
Fire Alarm	$ 3,000
Concierge	$ 130,000
Sprinkler	$ 1,500
HVAC Service	$ 15,000
Buildinglink	$ 3,000
Gym Equipment Lease	$ 10,600
Telephone/Internet	$ 5,000
Uniforms	$ 7,500
Total	**$ 204,800**

No maintenance or service contracts have been entered into as of the Filing Date of the

Plan. The budgeted amounts are based on estimates received from contractors and the experience of Sponsor's budget expert, FirstService Residential New York Inc., in operating comparable buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty or guarantee is made that the actual cost for these services or other services will be in accordance with this projection. The Non-Residential Unit Owner will share in the expense of only the exterminating and telephone based on their Common Interest percentage.

Any existing service contracts are terminable upon 30 days notice and will be terminated prior to the First Closing. Sponsor will enter into new agreements for the service contracts listed above after the First Closing. No service contracts will be for more than a 5 year terms.

(13) Insurance: $41,750

The insurance premiums are based on a letter dated June 30, 2015 from MR Cooper, LTD, located at 622 Third Avenue, New York, New York, 10017. The fire, casualty and general liability are on the terms set therein:

	COVERAGES	LIMITS OF LIABILITY
A.	Property (Building Limit)	$ 29,000,000
	Business Personal Property Limit	$ 50,000
	Loss of Maintenance Fee (Non-Residential and Residential Common Charges)	$ Included
	Demolition and Increased Cost	$ 1,000,000
	Flood	$ 1,000,000
	Earthquake	$ 1,000,000
	Deductibles	
	Building, Underground Water & Sewer	$ 10,000
	Earthquake	$ 50,000
	Flood	$ 25,000
B.	General Liability	
	(General Aggregate)	$ 2,000,000
	Each Occurrence	$ 1,000,000
	Fire Damage Liability	$ 50,000
	Personal and Advertising Injury	$ 1,000,000
	Medical Expenses	$ 5,000
	Hired/Non Owner Auto Liability	$ 1,000,000
C.	Directors & Officers Liability	$ 1,000,000
	Deductible	$ 5,000

D.	Umbrella Liability	$ 100,000,000
	Self Insured Retention	$ 10,000
	Included Excess Director's & Officers	
E.	Crime	
	Employee Dishonesty Limit	$ 500,000
	Managing Agent's Rider	$ 500,000
F.	Boiler and Machinery or Equipment Breakdown Limit	$ 29,050,000

The total premium for these various coverages is estimated at $41,750.

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

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of any Unit (as such term is more particularly described in the Plan and the Declaration).

The proposed insurance provides property coverage on an All Risk/Replacement Cost basis. The Building limits and Business Income limits are based on an Agreed Amount which is a waiver of co-insurance.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation. Purchasers should be aware of the possibility of rate increases. The insurance is adequate for the replacement of the building in the event of a total loss. The carrier will be selected at the time the coverage is bound. This will occur prior to the First Closing. The agent quoting the proposed insurance is MR Cooper, LTD, located at 622 Third Avenue, New York, New York, 10017.

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

The insurance package listed above meets typical mortgage requirements of most lenders.

(14) <u>Management Fee: $40,000</u>

Based on the management agreement to be entered into with FirstService Residential New York Inc. at or before the First Closing, it is expected that the Condominium Managing Agent will receive an annual fee of $40,000 for the First Year of Condominium Operations. This fee is commercially reasonable and comparable to management fees for buildings of similar size and quality as the Property. Reference should be made to the

Section of the Plan entitled "Management Agreement" in the Offering Plan for further details of the Management Agreement.

The Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a fidelity insurance policy in the amount of $____ in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

(15) Non-Resident Manager Expense: $42,600

The Superintendent will be provided an apartment in a building within a few blocks of the Property. The Condominium will be responsible for the rent and other associated expenses related to the use and occupancy of this apartment. The other associated expense are listed below.

Rent (Annual)	$ 36,000
Parking (Annual)	$ 3,600
Phone (Annual)	$ 1,200
Utilities (Annual)	$ 1,800

(16) Legal and Audit Fees: $15,000

Based upon the estimate set forth in a letter dated July 14, 2015 from Tarlow & Co., CPA's located at 7 Penn Plaza, New York, New York, 10001, Sponsor has budgeted $12,000 for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and federal, state and city income tax returns. The balance of the budgeted amount ($3,000) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Condominium Board meetings, preparation of Condominium Board minutes and negotiation of minor agreements. This amount has been allocated between the Residential and the Non-Residential Unit on the basis of Common Interest.

(17) Other Expenses: $15,000

Other Expenses covers telephone, office supplies, office equipment, postage, special communications and mailings to the Unit Owners, annual meetings, and general expenses.

Printing and Postage	$ 1,000
Payroll Processing	$ 2,500
Sprinkler Fees	$ 750
General	$ 10,750

(18) Contingency: $20,000

This fund may be used at the discretion of the Condominium Board toward unforeseen

expenses or other appropriate Condominium expenses. The purpose of the contingency is to provide for unanticipated expenses or unanticipated increases in projected expenses.

****

The foregoing projected budget may be modified from time to time prior to commencement of and during the First Year of Condominium Operation, to add or delete or increase or decrease one or more items of operating expenses. If additional funds are required to pay expenses, it may be necessary to increase Common Charges or specially assess Unit Owners.

****

(19) <u>Total Expenses: $1,100,485</u>

IN THE OPINION OF FIRSTSERVICE RESIDENTIAL NEW YORK INC., THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JANUARY 1, 2017. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the Condominium after the First Closing. . Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the Condominium for a period of more than two (2) years. Any such changes will be made pursuant to a duly filed amendment to the Plan.

SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

SCHEDULE B-1
Projected Individual Energy Costs Budget

Edwards & Zuck, D.P.C., having an office at 315 Park Avenue South, Suite 17, New York, New York 10010 provided an estimate of annual electric and gas costs for operating the typical appliances located in Residential Units, more fully set forth on Tables 2 and 3 which follow.

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

101 West 78 Condominium 22-Jul-15

Prepared By: Edwards & Zuck, P.C.

E&Z Project No: N12101002

Table 2 - Proposed Residential Unit Electrical Usage

Unit 3A (2nd Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	4.60	3.56	20%	6	128.16		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**24.70**	**18.25**			**1,056.06**	**$266.66**	**$270.65**

Boiler (Space heating/Domestic Water)

Unit 3B (2nd Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	9.60	5.31	20%	6	191.16		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	10.00	7.50	25%	6	337.50		
4. Electric Cooking	9.50	7.60	50%	2	228.00		
5. AC Equipment (VRF System)	6.00	6.00	30%	12	648.00		
TOTAL	**39.60**	**27.99**			**1,503.89**	**$379.73**	**$385.43**

Unit 3C (2nd Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	9.80	5.38	20%	6	193.68		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	9.20	6.90	25%	6	310.50		
4. Electric Cooking	6.70	5.36	50%	2	160.80		
5. AC Equipment (VRF System)	5.30	5.30	30%	12	572.40		
TOTAL	**35.50**	**24.52**			**1,336.61**	**$337.49**	**$342.56**

Unit 4A (3rd Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	4.60	3.56	20%	6	128.16		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**24.70**	**18.25**			**1,056.06**	**$266.66**	**$270.65**

Unit 4B (3rd Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	9.60	5.31	20%	6	191.16		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	10.00	7.50	25%	6	337.50		
4. Electric Cooking	9.50	7.60	50%	2	228.00		
5. AC Equipment (VRF System)	7.20	7.20	30%	12	777.60		
TOTAL	**40.80**	**29.19**			**1,633.49**	**$412.45**	**$418.64**

Unit 4C (3rd Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015

101 West 78 Condominium 22-Jul-15

Prepared By: Edwards & Zuck, P.C.

E&Z Project No: N12101002

1. General Lighting & Receptacles	9.80	5.38	20%	6	193.68		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	9.20	6.90	25%	6	310.50		
4. Electric Cooking	6.70	5.36	50%	2	160.80		
5. AC Equipment (VRF System)	6.50	6.50	30%	12	702.00		
TOTAL	**36.70**	**25.72**			**1,466.21**	**$370.22**	**$375.77**

Unit 5A (4th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	7.10	4.44	20%	6	159.66		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	5.20	4.16	50%	2	124.80		
5. AC Equipment (VRF System)	6.50	6.50	30%	12	702.00		
TOTAL	**29.40**	**21.25**			**1,291.56**	**$326.12**	**$331.01**

Unit 5B (4th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	9.90	5.42	20%	6	194.94		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	10.00	7.50	25%	6	337.50		
4. Electric Cooking	9.50	7.60	50%	2	228.00		
5. AC Equipment (VRF System)	6.80	6.80	30%	12	734.40		
TOTAL	**40.70**	**28.89**			**1,594.07**	**$402.50**	**$408.54**

101 West 78 Condominium 22-Jul-15

Prepared By: Edwards & Zuck, P.C.

E&Z Project No: N12101002

Unit 5C (4th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	7.00	4.40	20%	6	158.40		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	9.20	6.90	25%	6	310.50		
4. Electric Cooking	6.70	5.36	50%	2	160.80		
5. AC Equipment (VRF System)	6.50	6.50	30%	12	702.00		
TOTAL	**33.90**	**24.74**			**1,430.93**	**$361.31**	**$366.73**

Unit 6A (5th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	5.30	3.81	20%	6	136.98		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**25.40**	**18.50**			**1,064.88**	**$268.88**	**$272.92**

Unit 6B (5th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	2.00	2.65	20%	6	95.40		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	3.80	3.80	30%	12	410.40		
TOTAL	**21.20**	**16.44**			**926.10**	**$233.84**	**$237.35**

Unit 6C (5th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	9.10	5.14	20%	6	184.86		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	9.20	6.90	25%	6	310.50		
4. Electric Cooking	9.50	7.60	50%	2	228.00		
5. AC Equipment (VRF System)	6.50	6.50	30%	12	702.00		
TOTAL	**38.80**	**27.71**			**1,524.59**	**$384.96**	**$390.73**

Unit 6D (5th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	2.90	2.97	20%	6	106.74		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	3.80	3.80	30%	12	410.40		
TOTAL	**22.10**	**16.76**			**937.44**	**$236.70**	**$240.25**

101 West 78 Condominium 22-Jul-15

Prepared By: Edwards & Zuck, P.C.

E&Z Project No: N12101002

Unit 6E (5th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	3.70	3.25	20%	6	116.82		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.30	4.30	30%	12	464.40		
TOTAL	**23.40**	**17.54**			**1,001.52**	**$252.88**	**$256.68**

Unit 7A (6th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	5.50	3.88	20%	6	139.50		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**25.60**	**18.57**			**1,067.40**	**$269.52**	**$273.56**

Unit 7B (6th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	1.80	2.58	20%	6	92.88		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	1.90	1.90	30%	12	205.20		
TOTAL	**19.10**	**14.47**			**718.38**	**$181.39**	**$184.11**

Unit 7C (6th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	3.50	3.18	20%	6	114.30		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**23.60**	**17.87**			**1,042.20**	**$263.16**	**$267.10**

Unit 7D (6th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	5.60	3.91	20%	6	140.76		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	6.10	6.10	30%	12	658.80		
TOTAL	**27.10**	**20.00**			**1,219.86**	**$308.01**	**$312.63**

101 West 78 Condominium 22-Jul-15

Prepared By: Edwards & Zuck, P.C.

E&Z Project No: N12101002

Unit 7E (6th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	2.90	2.97	20%	6	106.74		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	3.80	3.80	30%	12	410.40		
TOTAL	**22.10**	**16.76**			**937.44**	**$236.70**	**$240.25**

Unit 7F (6th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	3.70	3.25	20%	6	116.82		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.30	4.30	30%	12	464.40		
TOTAL	**23.40**	**17.54**			**1,001.52**	**$252.88**	**$256.68**

Unit 8A (7th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	5.20	3.77	20%	6	135.72		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	9.20	6.90	25%	6	310.50		
4. Electric Cooking	6.70	5.36	50%	2	160.80		
5. AC Equipment (VRF System)	5.00	5.00	30%	12	540.00		
TOTAL	**30.60**	**22.61**			**1,246.25**	**$314.68**	**$319.40**

Unit 8B (7th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	2.20	2.72	20%	6	97.92		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	5.20	4.16	50%	2	124.80		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**22.70**	**17.73**			**1,035.42**	**$261.44**	**$265.37**

Unit 8C (7th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	3.70	3.25	20%	6	116.82		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**23.80**	**17.94**			**1,044.72**	**$263.79**	**$267.75**

101 West 78 Condominium

22-Jul-15

Prepared By: Edwards & Zuck, P.C.

E&Z Project No: N12101002

Unit 8D (7th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	3.30	3.11	20%	6	111.78		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**23.40**	**17.80**			**1,039.68**	**$262.52**	**$266.46**

Unit 8E (7th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	2.30	2.76	20%	6	99.18		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**22.40**	**17.45**			**1,027.08**	**$259.34**	**$263.23**

Unit 8F (7th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	2.90	2.97	20%	6	106.74		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**23.00**	**17.66**			**1,034.64**	**$261.25**	**$265.17**

Unit 8G (7th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	3.70	3.25	20%	6	116.82		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	6.10	4.58	25%	6	205.88		
4. Electric Cooking	4.80	3.84	50%	2	115.20		
5. AC Equipment (VRF System)	4.70	4.70	30%	12	507.60		
TOTAL	**23.80**	**17.94**			**1,044.72**	**$263.79**	**$267.75**

Penthouse Unit (8th Flr.)	Connected Load (kW)	Demand Load (kW)	Diversity	Hours/Day	kWhr/ Month	Cost/Month (25.25 cent/kWhr)	Cost/Month Projected for 2015
1. General Lighting & Receptacles	13.40	6.64	20%	6	239.04		
2. Small Appliances & Laundry	4.50	1.58	35%	6	99.23		
3. Fixed Appliances	9.20	6.90	25%	6	310.50		
4. Electric Cooking	9.50	7.60	50%	2	228.00		
5. AC Equipment (VRF System)	6.10	6.10	30%	12	658.80		
TOTAL	**42.70**	**28.82**			**1,535.57**	**$387.73**	**$393.55**

101 West 78 Condominium
Prepared By: Edwards & Zuck, P.C.
E&Z Project No: N12101002

22-Jul-15

Table 3 - Proposed Residential Unit Gas Usage/Charges

	Connected Gas Load (MBH)	Quantity	Days in Use Per Year	Hours in Use Per Day	Total Demand Usage Per Year (MBH)	Total Demand Usage Per Year (Therms)	Cost per Therm	Annual Total Cost
Oven/Range (4-Burner)	100	7	365	1.5	383,250	3,833	$1.80	$ 6,900
Oven/Range (6-Burner)	130	9	365	1.5	640,575	6,407	$1.80	$ 11,533
Clothes Dryer	40	15	365	1.0	219,000	2,191	$1.80	$ 3,943
Outdoor BBQ	40	2	180	1.0	14,400	144	$1.80	$ 259
Fireplace	40	11	180	2.5	198,000	1,980	$1.80	$ 3,565
Total					**1,455,225**	**14,556**	**$1.80**	**$ 26,194**

SCHEDULE B-1
Projected Individual Energy Costs Budget

Edwards & Zuck, D.P.C., having an office at 315 Park Avenue South, Suite 17, New York, New York 10010 provided an estimate of annual electric and gas costs for operating the typical appliances located in Residential Units, more fully set forth on Tables 2 and 3 which follow.

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

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER

FirstService
RESIDENTIAL

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

February 2, 2016

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271
Attn.: Real Estate Finance Bureau

Re: 101 West 78 Condominium
101 West 78th Street, New York, New York 10024

To whom it may concern:

FirstService Residential New York, Inc. is a licensed real estate brokerage firm in the State of New York, engaged in the management of over 250 condominium, cooperative and residential rental properties over the course of 25 years. The undersigned has no beneficial interest in Sponsor or the profitability of the subject project.

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

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

Very truly yours,

FirstService Residential New York, Inc.

By:
Name: Marc Kotler
Title: Senior Vice President
New Development Group

Sworn to before me this
2 day of February 2016

Notary Public
Brooke Rosenthal
Notary Public - State of New York
NO. 01RO6072178
Qualified in Nassau County
Commission Expires April 1, 2017

622 Third Avenue | New York, NY 10017
Tel 212.634.8900 | Fax 212.634.3946
www.fsresidential.com

NON-RESIDENTIAL UNIT

As more particularly described in the Declaration and in the "Description of Property and Building Condition," each of which are contained in Part II of the Plan, the Condominium will contain 1 Non-Residential Unit.

Non-Residential Unit

The Non-Residential Unit consists of approximately 11,011 square feet and is located on portions of Floor 1 (cellar) and Floor 2 (lobby). A portion of the Non-Residential Unit is currently leased to Ocean Grill for use as a restaurant pursuant to a lease that expires on November 30, 2021, which lease has a 5 year renewal option.

General

The Non-Residential Unit is not being offered for sale pursuant to the Plan at this time. If and when the Non-Residential Unit is offered for sale in the future, it will be by a duly filed amendment to the Plan or pursuant to a "No-Action Letter," all terms of sale will be freely negotiable, including without limitation the amount of the Deposit(s), payment of use and occupancy fees from the date of Closing until the Condominium Board's imposition of Common Charges, and insurance coverage requirements, and Sponsor will not obligated to use the form Purchase Agreement set forth in Part II of the Plan. THESE PRICES WILL BE SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

The Non-Residential Unit may be combined or subdivided by the Non-Residential Unit Owner into two or more separate condominium units without prior notice and without amendment to the Plan. Additionally, any the Non-Residential Unit created as a result of such subdivision will retain the same rights afforded the Non-Residential Unit Owner as set forth herein.

Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental or use of any space in any of the Non-Residential Unit.

No representation is made with respect to the ownership of all or any portion of the Non-Residential Unit or as to who the future owners or tenants of any portion of the Non-Residential Unit may be at any time or as to the uses to which any portion of the Non-Residential Unit may be put at any time except that each of the Non-Residential Unit may be used for any purpose permitted by Law, including, without limitation, additional residential units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, parking garages, and commercial and professional office space which uses may result in increased noise and traffic but not for pornography establishments, massage parlors, drug treatment facilities and homeless shelters. No assurance, representation, or warranty is given that any tenants, occupants or users of the Non-Residential Unit will not be objectionable to Residential Unit Owners or other parties. The uses of the Non-Residential Unit may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control. Residential Unit Owners will not have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in any Non-Residential Unit.

Rights and Obligations of the Non-Residential Unit Owner

The Non-Residential Unit Owner will be obligated to pay its portion of the Common Charges in accordance with the allocations set forth in the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" ("Schedule B"). As set forth in the Footnotes annexed to Schedule B,

certain budgeted items are allocated between the Residential Units and the Non-Residential Unit on a special basis which reflects actual benefit and/or use associated with a particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the consent of the Non-Residential Unit Owner. In the opinion of Sponsor's budget expert, the allocated Common Charges payable by the Non-Residential Unit Owner is sufficient to cover the expenses fairly attributable to the Non-Residential Unit. See "Certification of Budget Expert Concerning the Adequacy of Common Charges Payable by the Non-Residential Unit Owner" set forth in Part II of the Plan for details.

The Non-Residential Unit Owner shall have the right to designate 1 member to the 6-member Condominium Board. Members of the Condominium Board designated by the Non-Residential Unit Owner may only be removed by the Non-Residential Unit Owner, who alone will have the right to elect or designate a replacement.

Notwithstanding anything to the contrary, (i) the allocations of budgeted items between the Residential Units and the Non-Residential Unit (as set forth in Schedule B) may not be modified by the Condominium Board without the consent of the Non-Residential Unit Owner, and (ii) the Condominium Documents may not be amended or modified to adversely affect the Non-Residential Unit Owner without the prior written consent of the Non-Residential Unit Owner. Otherwise, any decisions by the Condominium Board which solely affect the Non-Residential Unit may be made only by the Non-Residential Member of the Condominium Board designated by the Non-Residential Unit Owner.

Notwithstanding anything to the contrary, the Non-Residential Unit Owner and its Permitted Users shall have the right to sell or lease all or any portion of such the Non-Residential Unit (i) without prior approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, (ii) without notice, (iii) without complying with any requirements with respect to rights of first offers or first refusals, and (iv) without payment of any fees or charges (including any transfer fees or resale fees).

The Non-Residential Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) for the purpose of accessing the Non-Residential Unit or any portion of the Building servicing the Non-Residential Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing the Non-Residential Unit.

The Non-Residential Unit Owner and its Permitted Users shall additionally have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

1. to make alterations, additions, improvements, or repairs in or to the interior portions of a Non-Residential Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in the Non-Residential Unit.

2. to amend the Certificate of Occupancy of the Building with respect to the use or number of the Non-Residential Unit.

3. without amendment to the Plan, to (i) subdivide and/or combine the Non-Residential Unit and/or (ii) change the Non-Residential Unit in size by relocating a boundary wall. In the event of a subdivision, combination, and/or change in size of any Non-Residential Unit,

each Non-Residential Unit Owner shall additionally have the right to reapportion among the Non-Residential Unit their respective Common Interests. Any additional condominium units created as a result of a subdivision of a Non-Residential Unit will retain the same rights, privileges, and benefits afforded the original Non-Residential Unit Owner and will be subject to the same obligations imposed on the original Non-Residential Unit Owner, as set forth in the Condominium Documents. Notwithstanding the foregoing, in the event of a subdivision of any Non-Residential Unit, the Non-Residential Unit Owner shall have the right to designate, only1 member to the Condominium Board.

4. to make all arrangements for the prompt repair and restoration of the Non-Residential Unit to the extent the Non-Residential Unit is damaged or destroyed by fire or other casualty.

In addition to the foregoing, the Non-Residential Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(a) to erect, maintain, repair and replace one or more signs and lighting, of such size and content as the Non-Residential Unit Owner shall determine in the windows of the Non-Residential Unit, including without limitation any storefronts of the Non-Residential Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Non-Residential Unit or (b) the operation of any business for which the Non-Residential Unit is used.

(b) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Non-Residential Unit, including without limitation any storefronts, and (ii) create additional means of egress and ingress to such Non-Residential Unit subject to LPC approval. If applicable.

(c) to use the sidewalk adjacent to the Non-Residential Unit for any purposes permitted by Law, including without limitation food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event the Non-Residential Unit Owner utilizes a sidewalk adjacent to the Non-Residential Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Non-Residential Unit Owner.

Any alterations, additions, improvements, or repairs by the Non-Residential Unit Owner are to be performed at the applicable Non-Residential Unit Owner's sole cost and expense and must be in compliance with Law and the terms of the Declaration and the By-Laws.

Reference should be made to the Declaration and the By-Laws set forth in Part II of the Plan for details with respect to rights and obligations of the Non-Residential Unit Owner relating to the use and ownership of the Non-Residential Unit.

Actions and Proceedings

On December 21, 2015, 384 Columbus Avenue Associates, LLC, d/b/a Ocean Grill ("Plaintiff") commenced an action against Sponsor alleging that certain construction at the Building and the installation of scaffolding and hoist have damaged Plaintiff's business such that (i) Plaintiff has suffered money damages in an amount to be determined at trial, but in no event less than $6,370,399 and (ii) for a declaration that Plaintiff has been constructively evicted and Plaintiff therefore has no obligation to pay rent. Sponsor disputes each of Plaintiff's claims and intends to vigorously defend the action.

CHANGES IN PRICES AND UNITS

Purchase prices for the Residential Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Residential Unit Owner or mortgagee, to change the price by a duly filed amendment to the Plan, including, without limitation, the manner of payment thereof and other terms of sale of any Residential Unit, except that no such change with respect to any Residential Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. However, Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Residential Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Residential Units, but this will not affect any prior or subsequent sale of Residential Units which are not the subject of such change. However, the Purchase Prices set forth in Schedule A must be changed by a duly filed amendment to the Plan when the change in Purchase Price (i) is an across the board increase or decrease affecting one or more lines of Residential Units or Residential Unit models; (ii) is to be advertised; or (iii) is a Purchase Price increase for an individual Purchaser (other than Tenant-Purchasers until the Effective Date of the Plan).

The Purchase Prices to Tenant-Purchasers set forth in Schedule A will not increase during any Exclusive Purchase Period nor will Sponsor accept Purchase Agreements from Non-Tenant Purchasers for occupied Residential Units during any Exclusive Purchase Period. Unless it would constitute a discriminatory inducement, Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions of the Purchase Agreement among other terms: Purchase Price; the amount and timing of the Deposits; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; the availability of use and occupancy agreements and the amount of interim use and occupancy fees thereunder; and the application of interim use and occupancy fees towards the Purchase Price and Unit Upgrades. After the Plan is declared effective, Sponsor reserves the right to enter into a negotiated agreement with an individual Tenant-Purchaser to sell one or more Residential Units at prices and terms different than those in effect from time to time without filing an amendment to the Plan.

Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any right of rescission under a Purchase Agreement.

The location in the Building, approximate size and layout of the Residential Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Residential Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Residential Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Common Elements

(such as a portion of a hallway and service areas) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit without changing the percentage of Common Interest of such Residential Unit, and (c) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Residential Unit, will be made with respect to such Unsold Residential Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the Unsold Residential Unit size, the layout or Common Interest of such Unsold Residential Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Residential Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Residential Unit and will not have any claim against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon, except for any Unit Upgrade Funds. To the extent any such change involves entry into an occupied Residential Unit, Sponsor will repair any resulting damage to such Residential Unit. In addition, it is possible that Sponsor will install additional plumbing pipes through the concrete slabs vertically separating Residential Units and that such pipes will be run across the ceiling of some rooms in certain Residential Units and enclosed in sheetrock enclosures. Sponsor reserves the right to perform before or after the closing of any Residential Unit and such change shall not be deemed a material and adverse change with respect to any Purchaser nor give rise to any claim against Sponsor by any Residential Unit Owner. Such change shall not be deemed a material and adverse change with respect to any Purchaser or Residential Unit Owner.

Purchasers are advised to review the "Description of Property and Building Condition" under Section F3 for a list of combinations of Residential Units currently contemplated by Sponsor.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price of the Residential Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a non-material inaccuracy or error in the Floor Plans.

Once the Declaration is recorded, no change may be made in the number of Residential Units or number of rooms within a Residential Unit, nor may the size of any Residential Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest or Residential Common Interest of any Residential Unit be changed, unless, in each such event, the Declaration and Floor Plans and the Plan are amended with the consent of each Residential Unit Owner whose Residential Unit is directly affected by such change. In the case of a material and adverse change in the size or quality of the Common Elements, no such change shall be made without the consent of every Residential Unit Owner. In such event, Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such material and adverse change and to file such amendment and any necessary plans and specifications in connection therewith.

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Residential Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Residential Unit Owner, provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Residential Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan and the Declaration and Floor Plans will be amended, if required.

The provisions set forth in this Section of the Plan shall also apply to Storage Lockers, as applicable.

ACCOUNTANT'S CERTIFIED STATEMENTS OF OPERATION

WeiserMazars LLP

101 W 78 Holding LLC and Subsidiaries

Consolidated Financial Statements
December 31, 2014 and 2013

MAZARS

WeiserMazars
ACCOUNTING | TAX | ADVISORY

WEISERMAZARS LLP IS AN INDEPENDENT MEMBER FIRM OF MAZARS GROUP.

101 W 78 Holding LLC and Subsidiaries

Contents

For the year ended December 31, 2014 and for the period from December 28, 2012 (Inception) through December 31, 2013

	Page(s)
Independent Auditors' Report	1-2
Consolidated Financial Statements	
Balance Sheets	3
Statements of Operations	4
Statements of Changes in Members' Equity	5
Statements of Cash Flows	6
Notes to Financial Statements	7-15

MAZARS

WeiserMazars

Independent Auditors' Report

To the Members of
101 W 78 Holding LLC and Subsidiaries
(A Limited Liability Company)

We have audited the accompanying consolidated financial statements of 101 W 78 Holding LLC and Subsidiaries (a Delaware Limited Liability Company), which comprise the consolidated balance sheets as of December 31, 2014 and 2013, and the related consolidated statements of operations and changes in members' equity, and cash flows for the year ended December 31, 2014 and for the period from December 28, 2012 (inception) through December 31, 2013, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of 101 W 78 Holding LLC and Subsidiaries as of December 31, 2014 and 2013, and the results of their operations and their cash flows for the year ended December 31, 2014 and for the period from December 28, 2012 (inception) through December 31, 2013 in accordance with accounting principles generally accepted in the United States of America.

WeiserMazars LLP
135 West 50th Street – New York, New York – 10020
Tel: 212.812.7000 – Fax: 212.375.6888 – www.weisermazars.com

WeiserMazars LLP is an independent member firm of Mazars Group.

Praxity MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

MAZARS

WeiserMazars

Other Matter

As discussed in Note 10 to the consolidated financial statements, in January 2015, the Attorney General of the State of New York ("NYAG") commenced legal proceedings against 101 West 78th LLC, which currently has halted the conversion process, including construction, condo sales and any buyout of existing tenants. Stipulations were entered into between the Company and NYAG in February 2015, which permitted the Company to continue construction subject to limitations as set forth in said stipulation. It's unknown at this time what effects the matter may have on the financial statements of the Company.

WeiserMazars LLP

February 26, 2015

101 W 78 Holding LLC and Subsidiaries

(A Limited Liability Company)

Consolidated Balance Sheets

December 31, 2014 and 2013

	2014	2013
Assets		
Investment in real estate, net of accumulated depreciation	$ 54,365,199	$ 51,736,094
In-place leases, net of accumulated amortization of $878,091 and $600,993, respectively	277,099	554,197
Acquired above market leases, net of accumulated amortization of $32,543 and $17,157, respectively	3,949	19,335
Cash and cash equivalents	986,141	1,857,246
Mortgage escrow deposits	22,421,494	24,257,365
Tenants' accounts receivable	145,880	150,217
Prepaid expenses and other assets	529,796	272,765
Tenants' security deposits	138,790	175,945
Deferred financing costs, net of accumulated amortization of $1,156,476 and $539,102, respectively	1,235,288	1,852,932
Deferred rent receivable	85,712	68,765
Total assets	$ 80,189,348	$ 80,944,861
Liabilities and Members' Equity		
Liabilities		
Mortgage notes payable	$ 59,210,266	$ 54,182,917
Acquired below market leases, net of accumulated amortization of $880,004 and $494,088, respectively	379,349	765,265
Accounts payable and accrued expenses	1,670,873	1,500,519
Accrued interest expense	453,212	405,592
Prepaid rent	355	2,994
Tenants' security deposits payable	132,357	175,945
Total liabilities	61,846,412	57,033,232
Members' equity	18,342,936	23,911,629
Total liabilities and members' equity	$ 80,189,348	$ 80,944,861

The accompanying notes are an integral part of these consolidated financial statements.

101 W 78 Holding LLC and Subsidiaries

(A Limited Liability Company)

Consolidated Statements of Operations

For the year ended December 31, 2014 and for the period from December 28, 2012 (Inception) through December 31, 2013

	2014	2013
Revenue		
Rental income	$ 1,167,338	$ 2,460,740
Other tenant charges	96,991	89,342
Interest income	820	12
	1,265,149	2,550,094
Expenses		
Mortgage interest	6,077,292	5,869,763
Real estate taxes	460,161	436,955
Insurance	108,258	47,200
Utilities	290,791	255,452
Repairs and maintenance	63,977	111,851
Management fees	334,104	234,250
Professional fees	33,982	90,320
General and administrative	66,695	54,706
Bad debt expense	-	22,724
Payroll and payroll taxes	43,464	52,444
Depreciation	1,335,721	1,335,721
Amortization	894,742	1,140,095
Organization costs	-	1,154,763
Acquisition costs	-	1,409,288
	9,709,187	12,215,532
Net loss	$ (8,444,038)	$ (9,665,438)

The accompanying notes are an integral part of these consolidated financial statements.

101 W 78 Holding LLC and Subsidiaries

(A Limited Liability Company)
Consolidated Statements of Changes in Members' Equity
For the year ended December 31, 2014 and for the
period from December 28, 2012 (Inception) through December 31, 2013

Members' equity - December 28, 2012 (inception)	$ -
Contributions from members	38,901,070
Distributions to member	(5,324,003)
Net loss	(9,665,438)
Members' equity - December 31, 2013	23,911,629
Contributions from members	2,875,345
Net loss	(8,444,038)
Members' equity - December 31, 2014	$ 18,342,936

The accompanying notes are an integral part of these consolidated financial statements.

101 W 78 Holding LLC and Subsidiaries

(A Limited Liability Company)

Consolidated Statements of Cash Flows

For the year ended December 31, 2014 and for the period from December 28, 2012 (Inception) through December 31, 2013

	2014	2013
Cash flows from operating activities		
Net loss	$ (8,444,038)	$ (9,665,438)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1,335,721	1,335,721
Amortization	894,742	1,140,095
Amortization of above market leases	15,386	17,157
Amortization of below market leases	(385,916)	(494,088)
Bad debt expense	-	22,724
Deferred rent receivable	(16,947)	(68,765)
Deferred interest payable	5,027,349	4,182,917
Increase (decrease) in cash resulting from changes in operating assets and liabilities:		
Tenants' accounts receivable	4,337	(172,941)
Prepaid expenses and other assets	(257,031)	(272,765)
Tenants' security deposits	37,155	(175,945)
Accounts payable and accrued expenses	170,354	1,500,519
Accrued interest expense	47,620	405,592
Prepaid rent	(2,639)	2,994
Tenant security deposits payable	(43,588)	175,945
Net cash used in operating activities	(1,617,495)	(2,066,278)
Cash flows from investing activities		
Purchase of real estate and additions	(3,964,826)	(53,004,144)
Mortgage escrow deposits	1,835,871	(24,257,365)
Net cash used in investing activities	(2,128,955)	(77,261,509)
Cash flows from financing activities		
Proceeds from mortgage notes payable	-	50,000,000
Deferred financing costs	-	(2,392,034)
Contributions from members	2,875,345	38,901,070
Distributions to member	-	(5,324,003)
Net cash provided by financing activities	2,875,345	81,185,033
Net (decrease) increase in cash and cash equivalents	(871,105)	1,857,246
Cash and cash equivalents - beginning	1,857,246	-
Cash and cash equivalents - ending	$ 986,141	$ 1,857,246
Supplemental disclosure of cash flow information		
Cash paid during the year for interest (net of interest capitalized)	$ 1,002,323	$ 1,281,254

The accompanying notes are an integral part of these consolidated financial statements.

101 W 78 Holding LLC and Subsidiaries

Notes to Consolidated Financial Statements
Year ended December 31, 2014 and for the
period from December 28, 2012 (inception) through December 31, 2013

1. Organization and Nature of Business

101 West 78 Holding LLC ("Holding") is a limited liability company and was organized in Delaware on December 11, 2012 for the purpose of acquiring and developing real property located in Manhattan, New York. The Company is operated in accordance with the terms of its amended and restated operating agreement (the "Operating Agreement"), made by its members. The members and their ownership interests are as follows:

380 Columbus Sponsor LLC	22.00%
GTIS US Residential Strategies Fund LP	4.65%
GTIS US Residential Strategies Parallel Fund-A LP	21.67%
GTIS US Residential Strategies Parallel Fund-B LP	12.96%
W78 Blocker LLC	38.72%
	100.00%

The term of Holding shall continue until December 31, 2060 unless sooner dissolved in accordance with provisions described in Holding's Operating Agreement.

These financial statements also include the activity of 101 West 78th LLC, a Delaware limited liability company owned 100% by the 101 W 78 Mezz LLC, a Delaware limited liability company (collectively, the "Subsidiaries") owned 100% by Holding (collectively, with the Subsidiaries, the "Company").

The Company is the fee interest holder in property located at 101 West 78th Street (a/k/a 380 Columbus Avenue) located in New York, NY (Block 1150, Lot 1302 & 1301) (the "Property"). Upon acquisition, the Property was a seven story building totaling approximately 72,000 gross square feet, with three retail units and 44 residential units. The Company has split the retail and residential portions of the building into two separate condominium units. The Company has permits to use excess as-of-right air rights to add an eighth floor and will repurpose courtyard space to add amenity space, as well as gut renovate all common areas and any available units. At project completion, the Company anticipates the residential condominium will contain 28 residential units encompassing approximately 62,700 gross residential square feet with a fitness center, a packaging room and for sale storage. The retail condominium will consist of approximately 11,050 gross square feet in the ground floor and basement.

Profit, losses, contributions and distributions will be allocated in accordance with the Operating Agreement. A member of a limited liability company generally is not liable for the obligations or debts of the entity for reason of being a member.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying consolidated financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America. The accompanying consolidated financial statements include the accounts of the Holding and the accounts of the Subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

Estimates
The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in Real Estate
Investment in real estate is carried at cost and depreciated on the straight-line method over the estimated useful lives of 30 years. Expenditures for maintenance and repairs are charged to operations as incurred. Significant renovations or betterments, which extend the useful life, are capitalized. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management reviews the carrying amount for impairment in value and determines if any adjustments are required. No adjustments are required as of December 31, 2014.

Cash and Cash Equivalents
The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. As of December 31, 2014, cash and cash equivalents were maintained with two financial institutions and exceeded Federal Deposit Insurance Corporation insured limits by approximately $858,000.

Tenants' Accounts Receivable
Tenants' accounts receivable consist of receivables from tenants recorded at original invoice amount, less an estimated allowance for uncollectible accounts. Tenant receivables are periodically evaluated for collectability based on past credit history with tenants and their current financial condition. Changes in the estimated collectability of tenant receivables are recorded in the results of operations for the period in which the estimate is revised. Tenant receivables that are deemed uncollectible are offset against the allowance for uncollectible accounts. Certain accounts receivable are collateralized by tenant security deposits.

Deferred Financing Costs
Deferred financing costs are being amortized using the straight-line method over the term of the related mortgage loan.

Income Taxes
The Company was organized as a limited liability company. Accordingly, no provision for Federal or state income taxes is required. Taxable income or loss pass through to and is reportable by the members.

Tax years 2013 and 2012 remain subject to examination by federal and state jurisdictions, including those states where investors reside or states where the Company is subject to other filing requirements. The Company concluded that it has no material uncertain tax liabilities to be recognized at December 31, 2014.

Revenue Recognition and Deferred Rent Receivable
The Company's primary source of rental income is the rental of residential apartments under leases having terms of one to two years. Leases are accounted for as operating leases with revenue recognized evenly over the term of the lease.

Rental income derived from retail units are recognized over the non-cancelable term of the leases based on the straight-line method, which includes the effects of rent escalations and rent abatements under the leases.

The difference between the rent income recognized using the straight-line method, and the rent income in accordance with the lease is included in deferred rent receivable on the accompanying consolidated balance sheet.

3. Business Combination

On December 28, 2012, the Company purchased the Property. The acquisition was accounted for under the purchase method of accounting. The purchase price of $50 million was allocated to the net assets acquired based upon the Property's estimated fair value at the date of acquisition.

The Company allocated the purchase price to acquired tangible assets including land, building and tenant improvements, and intangible assets including above and below market leases, and acquired in-place leases in accordance with Financial Accounting Standards Boards Accounting Standards Codification Section 805, Business Combinations. The fair value allocable to the above or below market component of an acquired in-place lease is determined based upon the present value (using an interest rate that reflects the risks associated with the lease) of the difference between (i) the contractual amounts to be paid pursuant to the lease over its expected term, and (ii) management's estimate of the amounts that would be paid using current fair market rates over the expected term of the lease. The allocation of the purchase price to tangible assets (building and land) is based upon management's determination of the value of the property as if it were vacant using a discounted cash flow model.

Other intangible assets acquired include amounts for in-place lease values which are based on the Company's evaluation of the specific characteristics of each tenant's lease. Factors considered by the Company in its analysis of in-place lease values include an estimate of carrying costs during the hypothetical expected time it would take management to find a tenant to lease the space for the existing lease term (a "lease-up period") considering current market conditions and costs to execute similar leases. Management estimates carrying costs, including such factors as real estate taxes, insurance and other operating expenses during the expected lease-up period, considering current market conditions and costs to execute similar leases. In estimating costs to execute similar leases, the Company considers leasing commissions, legal and other related expenses.

Factors considered by management include an estimate of carrying costs during the expected lease-up periods considering current market conditions and costs to execute similar leases. Differing assumptions and methods could have resulted in different estimates of fair values, and thus, a different purchase price allocation and corresponding increase or decrease in depreciation and amortization expense.

The values of above market leases are amortized as a reduction of rental income over the remaining non-cancelable term of lease. The values of below market leases are amortized as an increase to rental income over the remaining non-cancelable term of lease. The value associated with in-place leases is amortized as a leasing cost over the initial term of the respective lease.

101 W 78 Holding LLC and Subsidiaries

Notes to Consolidated Financial Statements
Year ended December 31, 2014 and for the
period from December 28, 2012 (inception) through December 31, 2013

The following summarizes the final allocation of the purchase price and acquisition costs at the date of acquisition:

Land - residential	$ 6,397,469
Land - retail	3,598,576
Building - residential	25,587,127
Building - retail	14,484,499
In-place leases	1,155,190
Acquired above market leases	36,492
Acquired below market leases	(1,259,353)
Total purchase price	50,000,000
Brokerage commission	600,000
380 Columbus Sponsor LLC acquisition fee	500,000
Title insurance and fees	154,681
Legal expenses	115,778
Other acquisition cost	38,829
Acquisition costs	1,409,288
	$ 51,409,288

4. Investment in Real Estate

The Company's investment in real estate at December 31, 2014 and 2013 is comprised of the following:

	2014	2013
Land - residential	$ 6,397,469	$ 6,397,469
Land - retail	3,598,576	3,598,576
Building - residential	25,587,127	25,587,127
Building - retail	14,484,499	14,484,499
Construction-in-progress	6,968,970	3,004,144
	57,036,641	53,071,815
Less: Accumulated depreciation	(2,671,442)	(1,335,721)
	$ 54,365,199	$ 51,736,094

Depreciation expense for both the year ended December 31, 2014 and the period from December 28, 2012 (inception) through December 31, 2013 amounted to $1,335,721.

101 W 78 Holding LLC and Subsidiaries

Notes to Consolidated Financial Statements
Year ended December 31, 2014 and for the
period from December 28, 2012 (inception) through December 31, 2013

5. Intangibles

For the year ended December 31, 2014 and the period from December 28, 2012 (inception) through December 31, 2013, the Company recognized a net increase of in rental revenue from amortization of above and below market leases of $370,530 and $476,931, respectively. The Company recognized leasing costs for amortization of in-place leases for the year ended December 31, 2014 and the period from December 28, 2012 (inception) through December 31, 2013 of $277,098 and $600,993, respectively. Future amortization of acquired in-place leases, and above (below) market leases is as follows:

Years Ending December 31,	In-Place Leases	Above and (Below) Market Leases
2015	$ 277,099	$ (375,400)

6. Escrow Deposits

Escrow deposits consist of the following at December 31, 2014 and 2013:

	2014	2013
Construction reserve	$ 20,966,844	$ 21,329,604
Interest reserve	1,445,206	2,673,850
Cash management reserve	2,059	51,609
Development fee reserve	-	129,004
Insurance reserve	-	34,988
Real estate tax reserve	7,385	38,310
	$ 22,421,494	$ 24,257,365

Construction Reserve
The construction reserve escrow consists of additional equity deposits that shall be made available for to draw upon for future building construction costs.

Interest Reserve
Pursuant to the mortgage agreement, the Company is required to establish an interest reserve account, for the purpose of funding future debt service payments on the mortgage note.

Cash Management Reserve
Pursuant to the mortgage agreement, the Company is required to establish a cash management account, for the purpose of funding the fees and expenses of Capital One (the "Cash Management Bank").

Development Fee Reserve
Pursuant to the mortgage agreement, the Company is required to establish a development fee reserve account, for the purpose of funding future payments in accordance with the development agreement.

Insurance Reserve
Pursuant to the mortgage agreement, the Company is required to establish and make monthly payments to an insurance escrow account, for the purpose of funding future insurance premiums.

Real Estate Tax Reserve
Pursuant to the mortgage agreement, the Company is required to establish and make monthly payments to a real estate escrow account, for the purpose of funding future real estate taxes.

7. Mortgage Notes Payable

On December 28, 2012, the Company obtained financing for the Property from W78 MTGL9, LLC (the "Lender"), whereby Lender provided a first mortgage in the amount of $42,000,000 and a mezzanine loan in the amount of $8,000,000 (collectively, the "Mortgage Notes"). The Mortgage Notes mature on December 31, 2016. The first mortgage accrues interest at a rate of 11% per annum with a current pay portion of 2.9762% per annum and a deferred portion of 8.0238% per annum. The first mortgage requires a minimum return of $12,600,000 over the life of the mortgage, regardless of any prepayment of principal and accrued interest. The mezzanine loan accrues interest at a rate of 11% per annum. The mezzanine loan requires a minimum return of $2,400,000 over the life of the mezzanine loan, regardless of any prepayment of principal and accrued interest. The Mortgage Notes require a minimum release price to be paid on the principal with the sale of each unit. The balance of the Mortgage Notes at December 31, 2014 and December 31, 2013 was $59,210,266 and $54,182,917, respectively. Total interest expense incurred for the year ended December 31, 2014 and the period from December 28, 2012 (inception) through December 31, 2013 was $6,077,292 and $5,869,763, respectively, of which $5,027,349 and $4,182,917, respectively, was added to the unpaid principal balance of the Mortgage Notes and $453,212 and $405,592, respectively, was accrued interest expense on the consolidated balance sheets. For the year ended December 31, 2014 and the period from December 28, 2012 (inception) through December 31, 2013, interest expense capitalized as a cost to the property was $265,042 and $0, respectively. The Mortgage Notes are collateralized by the Company's Property.

8. Leases

The Company's operations consist of owning the Property and leasing residential and retail space. The Company's retail leases include provision for reimbursement of real estate taxes above certain based year amounts. The Company principally pays all operating expenses, including real estate taxes and insurance. Substantially all of the Company's retail leases are subject to rent escalations based on fixed rental increases.

The Company's retail leases are non-cancelable operating leases and expire at various dates through 2021. The future minimum annual fixed base rentals under these non-cancelable leases are as follows:

Years Ending December 31,	
2015	$ 425,191
2016	433,694
2017	442,368
2018	451,216
2019	460,240
Thereafter	907,645
	$ 3,120,354

For the year ended December 31, 2014, rental income for two major tenants totaled approximately $580,000 or 46% of rental income.

For the period from December 28, 2012 (inception) through December 31, 2013, rental income for three major tenants totaled approximately $850,000 or 33% of rental income.

9. Related Party Transactions

Property Management Agreement
The Company entered into a management agreement with Newcastle Realty Services, LLC (the "Property Manager"), a related party under common ownership, under which the Company is obligated to pay annual management fees in the amount of 4% of residential gross receipts and 4% of the commercial gross receipts from the operation of the Property. Management fees incurred for the year ended December 31, 2014 and the period from December 28, 2012 (inception) through December 31, 2013 amounted to $34,104 and $67,584, respectively. As of December 31, 2014 and 2013, the Company owes the Property Manager $1,858 and $2,884 in property management fees, respectively.

Legal Fee Allowance
Legal expenses payable to the Property Manager for the year ended December 31, 2014, and the period from December 28, 2012 (inception) through December 31, 2013 amounted to $5,775 and $24,675, respectively. The Property Manager is permitted to charge a legal allowance of $525 per unit per annum. As of December 31, 2014 and 2013, the Company owes the Property Manager $5,775 and $24,675 in legal expenses, respectively.

Development Agreement
The Company entered into a development agreement with Newcastle Construction Supervision LLC, a related party under common ownership, under which the Company is obligated to pay a development fee of 2.9% of total Property acquisition costs and hard and soft development costs for the Project, not to exceed $1,700,000 in total. Seventy-five percent (75%) of the development fee is payable in twenty-four (24) equal monthly installments beginning August 2013. The remaining twenty-five percent (25%) is payable within ten business days after the Company has entered into residential purchase agreements for 90% of the residential units based on square footage. For the year ended December 31, 2014 and the period from

December 28, 2012 (inception) through December 31, 2013, the Company has incurred $98,987 and $1,470,158, respectively, in development fees all of which is capitalized as a cost of the Property. As of December 31, 2014 and 2013, the Company owes the affiliate $1,216,534 and $1,345,676 in development fees, respectively.

In accordance with the development agreement, the Company is obligated to pay an acquisition fee of $500,000 to 380 Columbus Sponsor LLC, $250,000 is payable upon the funding of capital contributions by various members and $250,000 payable in four (4) equal monthly installments of $62,500 over the four month period immediately following the capital contributions. For the period from December 28, 2012 (inception) through December 31, 2013, the Company has incurred $500,000 in acquisition fees. As of December 31, 2014 and 2013, the Company owes the affiliate $0 and $62,500 in acquisition fees, respectively.

Asset Management Fee
The Company incurred asset management fees payable to GTIS Partners LP, a related party under common ownership, for the year ended December 31, 2014 and the period from December 28, 2012 (inception) through December 31, 2013 of $200,000 and $66,666, respectively. As of December 31, 2014 and 2013, the Company owes the affiliate $0 and $66,666 in asset management fees, respectively.

10. Commitments, Contingencies and Other Matters

Guarantees of Completion
Affiliates of a member of the Company have guaranteed to the Lender the payment of all costs necessary for the lien-free completion of the construction of the Property.

Guarantees of Recourse Carve Outs
Affiliates of a member of the Company have guaranteed to the Lender the extent of actual losses incurred by the Lender arising from certain recourse carve outs as specified in the applicable guaranty agreements.

Commitment of Tenant Buyout
On October 23, 2014, the Company entered into a surrender agreement with an existing retail tenant whose lease was set to expire in 2025. Per the agreement, the Company will pay the tenant a total of $1,300,000, $260,000 of which was due upon signing of the agreement and the remaining $1,040,000 is due when the tenant vacates the space in 2015.

Legal Proceedings
In January of 2015, the Attorney General of the State of New York ("NYAG") commenced legal proceedings against the Company. The NYAG alleges that the Company submitted to the NYAG a proposed offering plan for the sale of condominium units located at the Property, which contained material misstatements and omissions. On January 12, 2015, the NYAG obtained an Order to Show Cause from the Supreme Court, New York County, which requires the Company to produce to the NYAG certain documents relating to the property and halts the conversion process, including construction, condo sales and any buyout of existing tenants. Stipulations were entered into between the Company and NYAG so ordered February 6, 2015 and February 20, 2015 which permitted the Company to continue construction subject to the limitations as set forth in said stipulations. To date, documents have been produced and the Company intends to continue to contest the proceedings while pursuing an out-of-court resolution with the NYAG. At this time, it is unknown what effects the outcome of this matter may have on the financial statements of the Company.

The Company is subject to various legal proceedings in the ordinary course of business. In the opinion of management, after consultation with legal counsel, it does not believe that any such legal proceedings will have a significant impact on the Company's financial position, operations or cash flows.

11. Subsequent Events

The Company has evaluated subsequent events through February 26, 2015, the date these financial statements were available for issuance.

www.weisermazars.com

RIGHTS OF EXISTING TENANTS

Each "Bona Fide Tenant" shall have the exclusive right within the first 90 days from the Presentation Date of the Plan ("Initial Exclusive Purchase Period") within which to purchase the Residential Unit such Purchaser occupied on the Filing Date of the Plan at the Purchase Price set forth in Schedule A, during which time the Bona Fide Tenant's Residential Unit shall not be shown to a third party unless the Bona Fide Tenant has, in writing, waived the right to purchase. In order to exercise this exclusive right to purchase, the Bona Fide Tenant must deliver to Selling Agent during the Initial Exclusive Purchase Period (i) four (4) original, complete, and unaltered executed copies of the signed Purchase Agreement, (ii) a completed and executed original form W-9 or form W-8, as applicable, and (iii) the Initial Deposit. Sponsor has agreed that during any Exclusive Purchase Period, the purchase prices to be paid by Bona Fide Tenants for the Residential Units occupied by such Bona Fide Tenants on the Filing Date will not be increased nor will Sponsor accept Purchase Agreements from non-occupant Purchasers for occupied Residential Units, unless the Bona Fide Tenant of such occupied Residential Unit has waived, in writing, such Bona Fide Tenant's right to purchase such Residential Unit.

The term "Bona Fide Tenant" shall include: (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee sublets from a non-bona fide tenant, or has obtained written permission to purchase the Residential Unit from the bona fide tenant of record.

The term "Bona Fide Tenant" shall not include (i) any tenant of the Non-Residential Unit and (ii) the estate or legal representative of a Bona Fide Tenant who was in occupancy of a Residential Unit on the Filing Date and who died on or after the Filing Date without having previously delivered a Purchase Agreement in compliance with the terms hereof.

Bona Fide Tenants do not have any exclusive right to purchase any Residential Unit other than Residential Unit such Bona Fide Tenant occupied on the Filing Date of the Plan. A Purchase Agreement from a Bona Fide Tenant for the Unit such Bona Fide Tenant occupied on the Filing Date of the Plan, properly executed and delivered during any Exclusive Purchase Period provided in the Plan or in an amendment to the Plan, shall have priority over and pre-empt any Purchase Agreement for such Residential Unit executed and delivered by a Non-Tenant Purchaser.

Bona Fide Tenants do not have the exclusive right to purchase a vacant Unit.

THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.

The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of New York State General Business Law ("GBL"), a copy of which is set forth in Part II of the Plan. Bona Fide Tenants in occupancy derive substantial protections under the GBL.

The term "Non-Purchasing Tenant" means a person who has not purchased a Residential Unit pursuant to the Plan and who is a tenant entitled to possession at the time the Plan is declared effective. A person who sublets a Residential Unit from "a Purchaser under the Plan" (as such term is defined in the GBL) shall not be deemed a Non-Purchasing Tenant.

(A) No eviction proceedings may be commenced at any time after the Effective Date against Non-Purchasing Tenants for failure to purchase; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner, failure to maintain the premises as a primary residence, or any other breach of lease by the Non-

Purchasing Tenant of his leasehold obligations to the owner of the Residential Unit; and provided further that an owner of a Residential Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that such owner seeks the Residential Unit for the use and occupancy of such owner or such owner's family.

(B) Non-Purchasing Tenants who resided in Residential Units subject to government regulation as to rentals and continued occupancy prior to the conversion of the Building to condominium ownership shall continue to be subject thereto following the conversion. Nothing contained herein shall be deemed to extend greater rights to a Non-Purchasing Tenant than such tenant would have had if the Building had not been converted to condominium ownership, except as otherwise provided in subparagraph (C).

(C) The rents of Non-Purchasing Tenants who reside in Residential Units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Filing Date shall not be subject to unconscionable increases beyond rental amounts charged for comparable Residential Units during the period of their occupancy. In determining comparability, consideration will be given to such factors as location of the Building and of the Residential Unit within the Building, amenities and building services, level of maintenance and operating expenses. Non-Purchasing Tenants are advised that complaints of unconscionable rent increases may be referred to the New York State Department of Law, Real Estate Finance Bureau at 120 Broadway, New York, New York 10271. Sponsor has waived any right to apply for rent increases with respect to Residential Units occupied by Non-Purchasing Tenants as the result of major capital improvements ("MCI") made by Sponsor as it relates to the renovation of the Building. Under current Law, Sponsor is not entitled to seek a MCI rent increase to the extent Sponsor has taken a credit against the Reserve Fund as the result of such MCI. (See the Section of the Plan entitled "Reserve Fund" for further details.)

(D) The Plan may not be amended at any time to provide that it shall be an eviction plan.

(E) The rights granted under the Plan to Purchasers under the Plan (as such term is defined in the GBL) and to Non-Purchasing Tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, the GBL.

(F) Building-wide services shall be managed on behalf of all Residential Units (including those occupied by Non-Purchasing Tenants) by the same Managing Agent who manages all other Residential Units in the Building. Such Managing Agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-discriminatory basis.

(G) It shall be unlawful for any Person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his Residential Unit or the Facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if the Attorney General deems it appropriate, an order restraining the owner from selling the Residential Unit. Nothing contained in the GBL shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

(H) Any provision of a lease or other rental agreement which purports to waive a Non-Purchasing Tenant's rights under the GBL or Law promulgated pursuant to the GBL shall be void as contrary to public policy.

(I) Tenants or their representatives, upon reasonable advance notice, may inspect the Property physically at any time subsequent to the submission of the Plan to the Department of Law, during normal business hours upon written request made by them to Sponsor.

The following disclosure is required by the Department of Law to reflect current case law applicable to the conversion of occupied Buildings in New York County to condominium ownership as of

the submission date of the preliminary Plan to the Department of Law. Sponsor makes no representations concerning any future court decisions with respect to this disclosure and reserves all rights under applicable law then available to Sponsor pursuant to such future court decisions. Under this non-eviction Plan, tenants whose leases expire and against whom holdover proceedings are commenced before the Plan is declared effective retain only the minimal protections available to the common-law "tenant at sufferance," and ARE NOT PROTECTED from eviction for failure to purchase or any other reason applicable to expiration of tenancy and from unconscionable rent increases absent some special circumstance, as found by a court of competent jurisdiction. Tenants who first lease Unsold Units from Sponsor after the Plan is declared effective are not protected from eviction for failure to purchase or any other reason applicable to expiration of tenancy and from unconscionable rent increases.

Subsequent to the First Closing under the Plan, with respect to the first sale of each unsold Residential Unit by Sponsor, the Non-Purchasing Tenant in occupancy of such Residential Unit will be notified in writing by Sponsor of the name and address of the Person who purchased such Non-Purchasing Tenant's Residential Unit. Upon a resale of such Residential Unit, the seller and each subsequent seller will be obligated to notify the Non-Purchasing Tenant in writing within 10 days following the resale of the name and address of the non-occupant Purchaser. See Section 16.4 of Article 16 of the By-Laws.

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Bona Fide Tenants, a Tenant-Purchaser who executed and submitted a Purchase Agreement and delivered the Initial Deposit for the Residential Unit which the Tenant-Purchaser occupied on the Filing Date, before Sponsor amended the terms of the Plan, shall benefit from the more favorable terms and conditions.

If a Bona Fide Tenant purchases a Residential Unit, then from and after the Closing of Title to such Residential Unit, such Tenant-Purchaser would no longer be subject to, or have any rights afforded tenants in occupancy, under the GBL.

Sponsor intends to perform a program of capital repairs and replacements and cosmetic improvements to the Building as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" subsection (f). Sponsor will not apply for an MCI rent increase for the cost of the capital replacements which Sponsor intends to apply against Sponsor's mandatory contribution to the Reserve Fund. Sponsor will not apply for an MCI rent increase for the cost of the cosmetic improvements Sponsor will perform on the Property.

A Non-Purchasing Tenant will not have an exclusive right to use any portion of the Common Elements except for a Terrace (if any) appurtenant to the Residential Units occupied by such Non-Purchasing Tenant. Each such Terrace is a Residential Limited Common Element for the exclusive use of the Residential Unit Owner and permitted tenants or occupants of such appurtenant Unit.

Non-Purchasing Tenants shall have no rights with respect to their Residential Units except as same may specifically set forth above and in the GBL. Nothing contained herein shall be deemed to grant Non-Purchasing Tenants any additional rights of occupancy with respect to the Residential Units.

The rights of a Purchaser under the Purchase Agreement are not assignable or transferable. See the Section of the Plan entitled "Assignment of Purchase Agreements."

OBLIGATIONS OF PURCHASERS OF RESIDENTIAL UNITS OCCUPIED BY NON-PURCHASING TENANTS

A Person purchasing a Residential Unit occupied by another does so subject to (a) the existing lease for the Residential Unit, if any (and any renewal thereof pursuant to Law or effected prior to the date on which the Purchaser's Purchase Agreement is accepted), (b) the existing occupancy of the Residential Unit, and (c) rights of the tenant thereof, if any, under the Rent Laws and under the GBL, including the right to stay in possession of the Residential Unit pursuant to the GBL, as more fully discussed in the Section entitled "Rights of Existing Tenants." As of the Filing Date of the Plan, these Residential Units set forth on Schedule A are subject to Rent Laws.

No representations or statements of any kind as to the requirements of the Rent Laws are given, except as expressly set forth in the Plan, and a prospective Purchaser interested in purchasing an occupied Residential Unit in which such prospective Purchaser does not reside, or lease, is advised to consult with an attorney regarding the application and effect of the applicable Law in order to become fully apprised of such prospective Purchaser's rights as a Purchaser and such prospective Purchaser's obligations to any existing tenant or occupant.

After Closing of Title of the sale of a Residential Unit to a non-occupant Purchaser, such non-occupant Purchaser will own the Residential Unit, subject to the lease or tenancy of the present tenant and subject to all rights afforded such tenant under the Rent Laws (if applicable) and the Plan, including the right to receive a renewal lease as set forth above and to be evicted only on grounds permitted by Law. Under the GBL, the Non-Purchasing Tenant may not be evicted at any time for failure to purchase or any other reason applicable to expiration of tenancy, provided that eviction proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Condominium or its Managing Agent or a breach by the Non-Purchasing Tenant of any leasehold obligations to the owner of the Residential Unit or such other grounds for eviction as may then be permitted by Law. In addition, no eviction proceedings may be commenced against a Non-Purchasing Tenant on the grounds that the non-occupant Purchaser seeks the Residential Unit for the use and occupancy of the non-occupant Purchaser or the non-occupant Purchaser's family.

If a non-occupant Purchaser acquires a Residential Unit occupied by another, then on the Closing Date of such Residential Unit, the non-occupant Purchaser will become the landlord of such tenant and the latter will become the non-occupant Purchaser's tenant. Such non-occupant Purchaser will be required under the Purchase Agreement to pay the Common Charges, Special Assessments, taxes and other charges against the Residential Unit to the Condominium Board or the City of New York, as the case may be, regardless of whether such Common Charges, Special Assessments, taxes and other charges are greater or less than the rent payable by the tenant or occupant, and regardless of whether or not the rent is received. In addition, such non-occupant Purchaser will be responsible for the performance of all obligations of the landlord under the lease with, or tenancy of, the tenant or occupant, including without limitation, the obligation to register the Residential Unit with the New York State Division of Housing and Community Renewal and to maintain, repair, and replace fixtures and equipment (if any) in the Residential Unit, to the extent provided in the lease, the Rent Laws or other applicable Law. In addition, any litigation costs, fees and any dues related to the tenancy, are the sole responsibility of the non-occupant Purchaser.

The Purchase Agreement for a Residential Unit occupied by a Non-Purchasing Tenant contains a provision whereby each non-occupant Purchaser of a Residential Unit irrevocably appoints the then Managing Agent of the Building (which Managing Agent may be replaced by the Condominium Board if Sponsor no longer controls the Condominium Board) as Purchaser's agent, coupled with an interest, to provide for the account and at the expense of the non-occupant Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has a right to occupy the Residential Unit such non-occupant Purchaser is purchasing until such time as such right to occupy

terminates. In addition, each non-occupant Purchaser agrees: (a) to deposit with Managing Agent at the Closing of Title to the Residential Unit, a sum not less than the greater of 2 months' rent under such Non-Purchasing Tenant's lease or occupancy agreement and 2 months' Common Charges, to be used as working capital to furnish such services and facilities, and (b) upon written notice by Managing Agent (or the Condominium Board) that such deposit has been diminished, to replenish said fund within 30 days. The By-Laws provide that the failure of the Residential Unit Owner to replenish the fund in a timely fashion will result in the Condominium Board on behalf of all Residential Unit Owners, filing a lien against the Residential Unit for nonpayment of such charges. Sponsor shall guarantee the obligation of Managing Agent to provide such services and facilities until such time as Sponsor surrenders control of the Condominium Board. Each non-occupant Purchaser of a Residential Unit will be required to promptly defend, indemnify and hold Sponsor harmless for all costs expended by Sponsor on such non-occupant Purchaser's behalf. The foregoing obligations of a non-occupant Purchaser do not apply to Sponsor.

Upon each resale of a Residential Unit occupied by a Non-Purchasing Tenant, the new Unit Owner shall notify the Non-Purchasing Tenant thereof in writing within 10 days following the resale of the name and address of the new non-occupant Purchaser.

No representation is made or warranty given as to whether any Rent Laws will continue to apply to any Residential Unit in the Building or whether there will be any future amendments thereto.

A Person interested in purchasing a Residential Unit in which such Person does not reside is advised to examine the lease for such Residential Unit to ascertain the rental thereof, expiration date and obligations imposed on the landlord thereof. These leases are available from Sponsor upon request. Such Peron is advised to consult with an attorney in order to become fully apprised of the effect of the Rent Laws, if applicable, as well as the lease for the Residential Unit, on such Person's rights as a non-occupant Purchaser and such Person's obligations to the existing tenant or occupant. In the event that the lease of a Non-Purchasing Tenant is no longer subject to the Rent Laws, the Non-Purchasing Tenant still remains protected by General Business Law Section 352-eeee and shall not be subject to unconscionable increases in rent beyond ordinary rentals for comparable apartments during the period of their occupancy.

A non-occupant Purchaser of a Residential Unit subject to a lease will be entitled to receive the unapplied portion of any security deposit held by Sponsor under the terms of such lease. Such security must be held by the non-occupant Purchaser, in trust, in an interest bearing account in accordance with Section 7-103 of the New York General Obligations Law. Upon receipt of such security deposit, the non-occupant Purchaser will be required to acknowledge, in writing, receipt thereof and agree to promptly defend, indemnify and hold Sponsor harmless against all claims or liability in connection therewith.

USE AND OCCUPANCY AGREEMENTS

Sponsor reserves the right with respect to any Unsold Residential Unit, to enter into a pre-closing Use and Occupancy Agreement with the Purchaser of such Unsold Residential Unit on an interim basis on such terms and conditions as may be agreed to between Sponsor and Purchaser. Purchasers are advised that the occupancy under such Use and Occupancy Agreement is not subject to any governmental regulations, including, without limitation, the Rent Laws. Such use and occupancy fees shall be determined by Sponsor in its sole and absolute discretion. Individuals who rent vacant Unsold Units from Sponsor are not Tenant-Purchasers under the Plan and shall have no rights to purchase thereunder.

The Use and Occupancy Agreement will provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unsold Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy Agreement entitling Sponsor, at its option, to terminate such Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement will provide that a default by the Purchaser under any Use and Occupancy Agreement with respect to the Unsold Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its option, to terminate such Purchase Agreement. If, as a result of a default by Purchaser under the Use and Occupancy Agreement, Sponsor elects to cancel the Purchase Agreement, Purchaser shall have 30 days from the giving of the notice of cancelation to cure the default, TIME BEING OF THE ESSENCE, for which failure to cure will entitle Sponsor to exercise any remedy provided for in the Purchase Agreement. However, prior to Sponsor utilizing the default under the Use and Occupancy Agreement to declare a default under the Purchase Agreement, Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser unless the Purchaser has vacated the Unit. Upon the execution of the Use and Occupancy Agreement, Sponsor will require Purchaser to execute a Stipulation of Settlement Holdover, by which Purchaser will consent to a final judgment of possession of the Unsold Unit in favor of Sponsor and to the immediate issuance of a warrant of eviction, in the event of a default under the Use and Occupancy Agreement. In addition, in the event a Purchaser is permitted to take possession of the Unsold Unit prior to Closing, such Purchaser will be required to obtain casualty and liability insurance for their own benefit in such amounts as determined by Sponsor.

In the event (i) that Purchaser defaults under the terms of the Use and Occupancy Agreement which default is not cured within 30 days of notice, or (ii) that the term of the Use and Occupancy Agreement expires, Purchaser agrees to vacate and deliver full possession of the Unit to Sponsor in broom-clean condition within 30 days of written notice from Sponsor or its attorney.

In the event the Plan is abandoned by Sponsor, and Purchaser desires to remain in occupancy of the Residential Unit, Purchaser's occupancy shall be subject to the Rent Laws.

In the event that Purchaser exercises a right of rescission afforded Purchaser pursuant to an amendment and exclusive to the Plan, Purchaser shall have 30 days of exercising such right of rescission to vacate and deliver full possession of the Unit to Sponsor in broom-clean condition.

The Use and Occupancy Agreement shall be substantially in the form set forth in Part II of the Plan.

Purchasers entering into a Use and Occupancy Agreement for an Unsold Residential Unit will be required to pay the legal fees of Attorney for Sponsor in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under the Use and Occupancy Agreement will be adjusted as of the Closing of Title to the Unsold Residential Unit and no portion of the Use and Occupancy fee paid under the Use and Occupancy Agreement will be credited towards the Purchase Price of an Unsold Residential Unit unless the Use and Occupancy Agreement expressly provides. Notwithstanding the foregoing, Sponsor will be under no obligation to enter into any Use and Occupancy Agreement.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Residential Unit will be required to execute a Purchase Agreement in quadruplicate (i.e., four (4) original, complete and unaltered executed copies), which will be in the form set forth in Part II of the Plan and may not be amended, revised or altered by the Purchaser in any way. Any conflict between the Plan and the Purchase Agreement will be resolved in favor of the Plan. A Purchaser desiring to purchase a Storage Locker will be required to execute the form of Rider annexed to the Purchase Agreement set forth in Part II of the Plan.

Sponsor must accept a Purchase Agreement from a Bona Fide Tenant, only with respect to the Residential Unit such Bona Fide Tenant occupied on the Filing Date, who submits 4 original, complete and unaltered executed copies of the signed Purchase Agreement and an official bank check (subject to collection) for the Initial Deposit to Sponsor during the time within which the Bona Fide Tenant has the exclusive right to purchase the Residential Unit under the Plan. Such Tenant-Purchaser will receive a fully-executed counterpart of the Purchase Agreement from Sponsor.

Unless less than 3 business days remain in the statutory time period to declare the Plan effective, prospective Non-Tenant Purchasers will be afforded not less than 3 business days to review the Plan and any and all amendments thereto prior to executing a Purchase Agreement. A prospective Non-Tenant Purchaser may obtain the Plan upon payment of a $300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. If a Non-Tenant Purchaser has not received the Plan at least 3 business days prior to executing a Purchase Agreement, the Non-Tenant Purchaser shall have the right to rescind the Purchase Agreement within 7 days from the date the Non-Tenant Purchaser delivers an executed Purchase Agreement together with the Initial Deposit to Sponsor or Selling Agent. The Purchase Agreement sets forth in detail the terms of sale with respect to each Residential Unit and should be read carefully by Purchaser.

Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit is not contingent on Purchaser obtaining financing. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is projected to occur on or around January 1, 2017, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

At the time Purchaser executes a Purchaser Agreement, a Tenant-Purchasers and Non-Tenant Purchasers will each be required to deliver an Initial Deposit in an amount equal to 10% of the Purchase Price. Tenant-Purchasers will be required to deliver an Additional Deposit in an amount equal to 10% of the Purchase Price and Non-Tenant Purchasers will be required to deliver an Additional Deposit in an amount equal to 15% of the Purchase Price at the earlier to occur of (i) 6 months after the date of the Purchase Agreement, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective. Notwithstanding the foregoing, a Purchaser executing a Purchase Agreement after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 20% of the Purchase Price and a Non-Tenant Purchaser executing a Purchase Agreement after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 25% of the Purchase Price. Sponsor may require that Non-Tenant Purchasers of more than 1 Residential Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each such Purchaser.

At the time Purchaser executes a Purchase Agreement, Tenant-Purchasers and Non-Tenant Purchasers must execute a Purchaser Affidavit set forth in the "Effective Date" Section of the Plan.

With respect to the payment of any Deposits, the Purchaser may deliver such payment by official bank check or, if Sponsor offers the option in Sponsor's sole discretion, by wire transfer. All checks (i) must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association, (ii) must be made payable to the direct order of "Starr Associates LLP, as Escrow Agent," and (iii) shall be accepted by Sponsor subject to collection. If any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, at its option, among other things, (a) with respect to a check towards the Initial Deposit, to deem such Purchase Agreement to be void *ab initio* and of no further force or effect, or (b) with respect to any check towards the Additional Deposit, to cancel the Purchase Agreement and retain as liquidated damages all Deposits delivered, together with any interest earned thereon. With respect to wire transferred funds, (y) such wire transfer must be payable to the direct order of the Escrow Agent and (z) any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

All Deposits made pursuant to a Purchase Agreement are subject to the requirements of Section 71a(3) of the State of New York Lien Law and 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Pursuant to these laws, Sponsor will cause all Deposits received by it directly or by its agents or employees to be promptly deposited and held in accordance with the procedures set forth in the Section of the Plan entitled "Escrow and Trust Fund Requirements."

With respect to Purchase Agreements received from Tenant-Purchasers, such Purchase Agreements must be accepted by Sponsor provided that, during any Exclusive Purchase Period, the Tenant-Purchaser has delivered to Selling Agent (i) four (4) original, complete, and unaltered executed copies of the signed Purchase Agreement, (ii) a completed and executed original form W-9 or form W-8, as applicable, and (iii) the Initial Deposit. Such Tenant-Purchaser will receive a fully-executed counterpart of the Purchase Agreement from Sponsor.

The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan), including, but not limited to, the Residential Unit, the Storage Lockers, the Building and all Common Elements contained in the Building. In the event of any inconsistency between the provisions of the Purchase Agreement and the Plan, the provisions of the Plan will govern and be binding. The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

With respect to Purchase Agreements from Non-Tenant Purchasers, Tenant-Purchasers after the expiration of the Initial Exclusive Purchase Period, and Tenant-Purchasers for Residential Units they do not occupy on the Filing Date to the Plan, such Purchase Agreement will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser. Sponsor reserves the right to request thorough identification and financial information (including credit reports to be paid for by Purchaser) concerning any such prospective Purchaser, subject to any limitations and requirements imposed by Law. Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the Initial Deposit to accept or reject the Purchase Agreement. If a Purchase Agreement is not accepted by Sponsor within the 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Initial Deposit shall be returned to Purchasers within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Residential Unit, except as prohibited by Law, and (b) a Purchase Agreement for more than one Residential Unit to any Person.

With respect to both Tenant-Purchasers and Non-Tenant Purchasers, the Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit. The Purchaser may deliver such payment by official bank check, or if Sponsor offers the option in Sponsor's sole

discretion, by wire transfer. All checks (i) must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association, (ii) must be made payable to the direct order of Sponsor, or to any other party as directed by Sponsor, and (iii) shall be accepted by Sponsor subject to collection. If any such check is returned for insufficient funds or any other reason, it will constitute a material default under the Purchase Agreement and Sponsor may, at its option, cancel the Purchase Agreement and retain as liquidated damages all Deposits, together with interest earned thereon, if any. With respect to wire transferred funds any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

The Balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Residential Unit and, if applicable, the Storage Locker License (applicable to Non-Tenant Purchasers).

The deed and Storage Locker License (applicable to Non-Tenant Purchasers) will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposits will be credited or paid to Purchaser at Closing or released to Sponsor if the Purchaser defaults and the Plan is consummated.

Each Purchaser shall be obligated to execute and deliver a power of attorney at the Closing of Title to the Unit to the Condominium Board. The power of attorney grants broad powers to the Condominium Board to enter into agreements affecting the Common Elements and to bring tax certiorari proceedings on behalf of all Unit Owners. The power of attorney also grants to Sponsor the right to amend the Condominium Documents. The power of attorney shall be substantially in the form set forth in Part II of the Plan.

In the event a Purchaser commits a default of any of the obligations on Purchaser's part to perform under the Purchase Agreement, whether monetary or non-monetary, TIME BEING OF THE ESSENCE with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by written notice to Purchaser to either: (i) cancel the Purchase Agreement and retain as liquidated damages all Deposits made by Purchaser, together with interest earned thereon, if any; (ii) seek specific performance (except where the Purchaser is a Tenant-Purchaser who has entered into a Purchase Agreement to purchase the Residential Unit such Tenant-Purchaser occupied on the Filing Date of the Plan) in which event Purchaser may be compelled to complete the purchase of the Unit. If Sponsor elects to cancel the Purchase Agreement, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) all Deposits and any interest earned thereon, and (b) Unit Upgrade Funds. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation on the part of Sponsor to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance (where the Purchaser is a Non-Tenant Purchaser), then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Purchase Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant-Purchaser who purchases the Unit that the Tenant-Purchaser occupied on the Filing Date of the Plan.

TIME IS OF THE ESSENCE as to all of Purchaser's obligations under the Agreement, including, without limitation, Purchaser's obligation to close title on the Closing Date and to pay, perform or observe all of Purchaser's other obligations under the Purchase Agreement and to cure any default within

30 days after Sponsor gives written notice to Purchaser of the default. According to Black's Law Dictionary (Revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party. A Purchaser who defaults under the Purchase Agreement and fails to cure the default within the 30 day period may not be permitted additional time to cure the default.

After the amendment declaring the Plan effective has been accepted for filing, Sponsor will fix dates for closing title to all Residential Units for which Purchase Agreements have been executed by serving written notice upon each Purchaser setting the Closing Date for the Residential Unit. Such notice will be served not less than 30 days prior to the date set for the Closing of the Residential Unit. Sponsor, in its sole discretion, may permit Purchaser to waive this 30 day notice provision.

If a Purchaser fails for any reason to close title to the Residential Unit on the Scheduled Closing Date, other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"); and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs for the Residential Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. If through no fault of Purchaser, Sponsor postpones the Scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS UNDER THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE.

If a Purchaser has entered into Purchase Agreements to purchase more than one Unit a default by Purchaser in the payment or performance of any obligations under any of such Purchase Agreements, beyond any applicable grace periods, shall be deemed a default under the other Purchase Agreements. In the event of such default, Sponsor may, at its option, cancel such Purchase Agreements and retain, as liquidated damages, all Deposits made by Purchaser, together with any interest earned thereon, if any, under each of the Purchase Agreements.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Such Foreign Government Purchaser will be required to deposit with the Condominium at Closing, an amount equal to 2 years' Common Charges with respect to the Residential Unit based on the Condominium's budget in effect as of the Closing of the Residential Unit which will be in addition to the required contribution to the Working Capital Fund. Such amount shall increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply

or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

A Purchaser who acquired title to the Residential Unit from Sponsor ("Sponsor Sale") is prohibited under the Purchase Agreement for a period of twelve (12) months from the Sponsor Sale from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion; (i) listing such Residential Unit for sale or rental with any broker; (ii) placing or authorizing any listing in any broker's listing system or other listing service; or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale or rental. With respect to Residential Unit Owners who were not Tenant-Purchasers, the prohibitions set forth in (i), (ii) and (iii) above may be waived by Sponsor upon the Residential Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" and the By-Laws for further details.)

Prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from listing the Residential Unit for sale or rental with any broker or listing agent or advertising or otherwise offering, promoting, holding open houses or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. Any such action by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, all Deposits made by Purchaser, together with interest earned thereon.

Purchase Agreements delivered by Tenant-Purchasers during any Exclusive Purchase Period may only be modified to the extent negotiated without discriminatory inducement or to the extent such modification is the result of a duly filed amendment to the Plan.

If the Plan is withdrawn or abandoned, all Deposits previously paid to and actually collected by Sponsor together with any interest earned thereon, shall be returned to Purchasers in accordance with the provisions set forth in the Section of the Plan entitled "Effective Date."

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

The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until Purchaser is in possession or takes possession of the Residential Unit, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Residential Unit. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, the cause of which originated outside the Unit and did not result from the acts or omissions of Purchaser or other occupants, guests, invitees, agents or workers, provided Sponsor elects (which election shall be, in its sole discretion), to repair or restore the Residential Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Residential Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the

rights of the Condominium Board and other Residential Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Condominium Board/ Summary of By-Laws"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return all Deposits, together with any interest earned thereon, except for Unit Upgrade Funds, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages. If the cause of such damage or casualty resulted from the acts or omissions of Purchaser or other occupants, guests, invitees, agents or workers of Purchaser, Purchaser shall assume the risk of loss and obligation to repair the damage, and Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance of the Purchase Price and accepting delivery of the deed.

If the Purchase Agreement covers both a Residential Unit and one or more Storage Lockers and Sponsor does not elect, or the Unit Owners do not resolve to make such repair or restoration to the affected Storage Locker or Storage Locker Area pursuant to the By-Laws following the fire or casualty, then the Purchase Agreement shall only be cancelled, as described above, with respect to the particular Storage Locker in question, and Purchaser shall remain obligated to purchase the Residential Unit. At Closing of Title to the Residential Unit, Purchaser will receive a credit against the Balance of the Purchase Price equal to the amount allocated to the affected Storage Locker, to the extent any such money has been delivered to Sponsor.

SPONSOR SHALL IN NO EVENT BE OBLIGATED TO PERFORM ANY WORK TO THE PROPERTY, THE BUILDING, THE UNITS OR THE COMMON ELEMENTS OTHER THAN AS REQUIRED BY THE TERMS OF THE PLAN AND THE DESCRIPTION OF PROPERTY AND BUILDING CONDITION IMPROVEMENTS SET FORTH IN PART II OF THE PLAN.

Each Non-Tenant Purchaser of a Residential Unit shall be given an opportunity to inspect the Residential Unit prior to the Closing during normal business hours and in the company of Sponsor's representative, subject to the rights of any tenant or occupant of such Residential Unit, and is urged to make a careful inspection thereof, as more fully set forth in the Purchase Agreement set forth in Part II of the Plan. At the Closing, each Non-Tenant Purchaser of a Residential Unit shall be required to sign and deliver to Sponsor an Inspection Statement in substantially the form set forth in Part II of the Plan wherein such Purchaser acknowledges the condition in which Purchaser has inspected the Residential Unit. Under no circumstances shall any item included on an Inspection Statement (i) constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for the Closing nor (ii) obligate Sponsor to deposit any monies in escrow at Closing.

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan and in accordance with the escrow provisions contained in the Purchase Agreement.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. 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 Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth herein or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined the Purchase Agreement, Purchaser shall be obligated to reimburse Sponsor for any legal fees, expenses and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 220 East 42 Street, Suite 3302, New York, New York 10017 and whose telephone number is (212) 620-2680. As of the Filing Date of the Plan, the attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Signature Bank located at 261 Madison Avenue, New York, New York 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York.

All instruments to be deposited into the Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the Escrow Account, as applicable, and shall be accepted subject to collection. Endorsed instruments will not be accepted. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under the Purchase Agreement, rendering the Purchase Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan and the Unit may be sold to another as though the Purchase Agreement had never been made. A return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor, at its option, to exercise the remedies provided therefor under the Purchase Agreement. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser.

Deposits properly delivered to Escrow Agent will be placed in the Escrow Account within 5 business days after delivery by Purchaser to Sponsor or Selling Agent. Escrow Agent shall execute the Purchase Agreement Escrow Rider with respect to its obligations in this Section.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of July 1, 2015, the interest rate for the Escrow Bank is 0.30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account (including Unit Upgrade Funds). Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser delivers the Initial Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for Deposits for Unit Upgrade Funds). If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits, except for Unit Upgrade Funds, are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Deposit as per GBL § 352-h.

Unit Upgrade Funds will initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrades or extras. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any of the Unit Upgrade Funds. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for upgrades or extras.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Initial Deposit. If Purchaser does not receive notice that the Initial Deposit has been placed in the Escrow Account within 15 business days after delivery of the Initial Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery or crediting of the Initial Deposit by notice delivered to Sponsor and 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, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to any Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Initial Deposit (including, without limitation, the Additional Deposit or any funds in connection with any changes in the interest rate).

Escrow Agent shall maintain the Escrow Account under its direct supervision and control. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and as set forth in the Escrow Agreement Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

All Deposits delivered subsequent to the Initial Deposit, including, without limitation, the Additional Deposit, may be delivered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. A Deposit shall be deemed delivered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

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

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

Sponsor or its agents, including any selling agents, shall deliver to Escrow Agent all Deposits within two (2) business days of delivery of such Deposits by a Purchaser, using such transmittal forms as required by Escrow Agent from time to time. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after Consummation of the Plan (as such term is defined in the Attorney General's regulations). Consummation of the Plan does not relieve Sponsor of its obligations pursuant to General Business Law Section 352-h.

Escrow Agent shall release the Deposits if so directed:

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

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

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

If the Deposits are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Deposits, Escrow Agent shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If Escrow Agent has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and Escrow Agent shall provide further written notice to both parties informing them of the release of the Deposits. If Escrow Agent receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, Escrow Agent shall continue to

hold the Deposits until otherwise directed pursuant to subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

Sponsor will not object to the release of the Deposits to:

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

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

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

If Sponsor elects to change the Escrow Bank and/or Escrow Agent, such change will be disclosed in a duly filed amendment to the Plan prior to transferring any Deposits.

Escrow Agent is acting merely as a stakeholder. Upon the release of any Deposits pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to such Deposits.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations. Purchaser's execution of the Purchase Agreement shall be deemed to constitute Purchaser's acceptance of the terms of the escrow provisions set forth herein and the escrow agreement set forth in the Plan. Escrow Agent shall be a signatory to the Purchase Agreement solely with respect to Escrow Agent's obligations as set forth herein and the escrow agreement set forth in the Plan.

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

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section 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.

Sponsor has agreed to indemnify Escrow Agent from all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the Escrow Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

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

Escrow Agent and all Authorized Signatories submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of their obligations with respect to this Section or otherwise concerning the maintenance of or release of the Deposits from escrow.

Escrow Agent will maintain all records concerning the Escrow Account for 7 years after the release of Deposits.

ASSIGNMENT OF PURCHASE AGREEMENTS

No Assignment of Purchase Agreement

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld, conditioned, or delayed. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay to Starr Associates LLP a fee of $1,500, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

As to Tenant-Purchasers, if Sponsor consents to an assignment of a Purchase Agreement, it will be by a duly filed amendment to the Plan, which amendment shall provide, among other things, that (a) the Purchase Agreement must be signed by the Tenant-Purchaser and the full Deposit paid by the Tenant-Purchaser to Sponsor, and (b) the assignee execute an affidavit stating that the assignee was not procured by Sponsor, Selling Agent or Managing Agent and that assignee intends that assignee or a specified member of assignee's immediate family will personally occupy the Residential Unit.

EFFECTIVE DATE

The offering by Sponsor of the Residential Units under the Plan is contingent upon the Plan being declared effective. The following provisions will determine whether, and when, the Plan will be declared effective:

(a) The Plan may not be declared effective until Purchase Agreements have been executed and delivered for at least 15% of all dwelling Residential Units in the Building (i.e. 5 Residential Units, assuming 28 Residential Units offered for sale), by Bona Fide Tenants in occupancy or Bona Fide Purchasers who represent that they intend that they or one or more Family Members will occupy the Residential Unit upon purchase or when it becomes vacant. As to tenants who were in occupancy on the Filing Date of the Plan, the Purchase Agreement must be executed and delivered pursuant to an offering made without discriminatory re-purchase agreements or other discriminatory inducements. The actual base for purposes of declaring the Plan effective will be determined as of the Filing Date of the Plan. Notwithstanding the foregoing, the loan documents entered into with the Lender require Sponsor to enter into Purchase Agreements for at least 15% of the Residential Units in number and 25% of the saleable square footage set forth in Schedule A prior to declaring the Plan effective.

(b) After the conditions in the foregoing paragraph (a) have been met, Sponsor may, at its option, declare the Plan effective.

(c) When Purchase Agreements have been executed and delivered for the sale of 80% of all Residential Units in the Building (i.e. 23 Units, assuming 28 Residential Units offered for sale), and all the conditions referred to in the foregoing paragraph (a) have been met, Sponsor must declare the Plan effective.

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

When calculating the 15% requirement: (i) no more than one Purchase Agreement by a Non-Tenant Purchaser or by a tenant or tenants of a particular Residential Unit will be counted; and (ii) only one Purchase Agreement from any tenant who leases or occupies more than one Residential Unit will be counted.

The Plan will be declared effective either by: (a) an amendment to the Plan or (b) by personal service of notice on every tenant and Purchaser or by commencement of service by mail of notice stating that the Plan is declared effective and submitting an amendment within 5 business days following such notice confirming that the Plan was declared effective as of the date of such notice. Upon acceptance for filing, the amendment will be delivered to all Purchasers and tenants. The First Closing shall not be fixed until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

In connection with the Plan being declared effective, the Department of Law requires an affirmative representation from each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser as a part of the Department of Law's investigative process. Each Bona Fide Tenant Purchaser

and each Bona Fide Non-Tenant Purchaser will be required to execute either an affidavit entitled "Affidavit of Bona Fide Tenant Purchaser For Purposes of Declaring Offering Plan Effective" or "Affidavit of Bona Fide Non-Tenant Purchaser For Purposes of Declaring Offering Plan Effective", as applicable (each a "Purchaser Affidavit"). A copy of each Purchaser Affidavit is annexed to the Purchase Agreement set forth in Part II of the Plan. The Purchaser Affidavit must be executed and returned by Purchaser together with the executed Purchase Agreement. To the extent the Department of Law or Sponsor requires that the Purchaser Affidavit be re-executed thereafter, Purchaser shall have five (5) days to re-execute and return an original to Sponsor. A Bona Fide Tenant Purchaser and a Bona Fide Non-Tenant Purchaser may also be required to submit to the Department of Law additional information concerning the intended occupancy of the Residential Unit which is the subject of the Purchase Agreement and otherwise cooperate with the Department of Law's inquiry into the intended occupancy of the Residential Unit. Any Bona Fide Tenant Purchaser or Bona Fide Non-Tenant Purchaser who fails to (i) execute and return the Purchaser Affidavit (or re-execution thereof) to Sponsor, as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate, will be deemed to have defaulted under the Purchase Agreement. Bona Fide Tenant Purchasers and Bona Fide Non-Tenant Purchasers are advised that a default of these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit, as set forth below, or, in the alternative, the right to commence an action for specific performance, in which case the Bona Fide Tenant Purchaser or Bona Fide Non-Tenant Purchaser may be compelled by a court of law to fulfill all obligations concerning the Purchaser Affidavit.

Purchasers are advised to seek the advice of an attorney before executing a Purchaser Affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both Sponsor and Purchaser to both civil and criminal liability.

The Department of Law reserves the right to request additional information from Sponsor and any and all Purchasers used for purposes of declaring the Plan effective. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both Sponsor and Purchaser to both civil and criminal liability.

The Plan may not be amended at any time to provide that it shall be an eviction plan.

If the Plan has not become effective within 15 months from the Filing Date, it will be deemed abandoned, void and of no effect and all monies will be returned to Purchasers not in default under their respective Purchase Agreements, with interest if earned, within 30 days thereafter. Upon the return of the Deposit, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to such Purchaser under the Plan or the Purchase Agreement. Sponsor will promptly file an amendment together with Form RS-3 with the Department of Law. In the event of abandonment, no new offering plan for the conversion of the Building shall be submitted to the Department of Law for at least 12 months after such abandonment.

Prior to the Plan becoming effective, Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever. If the Plan is abandoned and Sponsor has accepted Purchase Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with a Form RS-3. If Sponsor has accepted Purchase Agreements, all Deposits, together with any interest earned thereon, will be returned to Purchasers within 30 days after the Filing Date of the amendment abandoning the Plan. Upon the return of the Deposits, as aforesaid, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Purchase Agreements. Once the Plan has been declared effective, it may not be abandoned for any reason other than (i) a defect in title (unknown to Sponsor on the Filing Date of the Plan) which cannot be cured

without litigation or cannot be cured for less than 1/2 of 1% of the total offering amount to Tenant-Purchasers in the aggregate; or (ii) substantial damage to or destruction of the Building by fire or other casualty which cannot be repaired cured for less than 1/2 of 1% of the total offering amount to Tenant-Purchasers; or (iii) the taking of any material portion of the Property by condemnation, or eminent domain. There will be no obligation on the part of Sponsor to incur expenses (except to the extent of up to an aggregate of 1/2 of 1% of the total offering amount to Tenant-Purchasers case of defects in title, casualty losses and violations as aforesaid) or engage in litigation to cure the same. Excluded from the dollar amounts set forth in (i), (ii), or (iii) above are attorneys' fees or any such title defects, violations, work orders, or determinations of any authority or regulatory association which exist on the Filing Date and either are known to Sponsor or are a matter of public record.

Sponsor will on the 30th, 60th, 88th and 90th day after the Presentation Date of the Plan and at least once every 30 days until the Plan is declared effective or abandoned and on the 2nd day before the expiration date and on the expiration date of any Exclusive Purchase Period provided in an amendment to the Plan, (i) file with the Department of Law, Real Estate Finance Bureau, 23rd Floor, 120 Broadway, New York, New York 10271, a written statement, under oath, setting forth the percentage of Residential Units in the Building which are the subject of Purchase Agreements executed by Bona Fide Tenants in occupancy on the Filing Date or Bona Fide Purchasers who represent that they intend that they or one or more specified Family Members occupy the Residential Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare the Plan effective. The statement which is posted in the Building and filed with the Department of Law shall include the following: the date and time of the statement, the Filing Date of the Plan, the Presentation Date of the Plan and of the current amendment, the last day of any Exclusive Purchase Period, the number of Bona Fide Tenants in occupancy and Bona Fide Purchasers who have executed Purchase Agreements, the number of Residential Units counted in the base and the percentage of Purchasers. Copies of all filed and posted written statements will be available for inspection at the office of Selling Agent and at the Department of Law. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

After an amendment declaring the Plan effective has been accepted for filing, Sponsor will fix dates for the Closing of Title to all Residential Units as to which Purchase Agreements are outstanding, in accordance with the provisions of the respective Purchase Agreements. See the Section of the Plan entitled "Terms of Sale" for a discussion of the mechanics of Closing of Title to a Residential Unit.

TERMS OF SALE

The term "Closing" refers to the conveyance of title to a Residential Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Residential Unit. The Closing to each Residential Unit shall be held at the office of Starr Associates LLP, 220 East 42 Street, Suite 3302, New York, New York 10017 or at such other place as Sponsor may designate.

Purchasers are required to close title upon the occurrence of the following events:

(a) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted for filing by the Department of Law.

(b) a TCO or PCO for the Building is in effect. Purchasers are advised that under current building codes, an amended TCO or PCO may not be required in the event Residential Units have been combined and that the number of Residential Units in the Building may be less than that stated on the existing TCO or PCO. A Temporary Certificate of Occupancy is not required for the Closing of a Storage Locker License. A Purchaser will be required to consummate the purchase of the Residential Unit and an a Storage Locker License simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued for the Storage Locker Area. In such event, the proceeds from the sale of the Storage Locker License will be held in the Storage Locker Escrow by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Storage Locker Area. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow.

(c) the recording or filing of the Declaration, By-Laws, Floor Plans and architect and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law.

(d) the release of the Residential Unit and its appurtenant Common Interest from the lien of all mortgages, if any.

(e) the delivery to Purchaser of written notice of the time and place of the Closing at least 30 days prior to the Closing Date specified therein, including a reasonable opportunity for Purchaser to examine the Residential Unit, during normal business hours and in the company of Sponsor's representative, prior to Closing. With respect to renovated Units, Purchaser will be obligated to close title irrespective of the nature of the items that may be included on Purchaser's Inspection Statement which Sponsor agreed to complete as part of its post-closing obligations. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details regarding the Inspection Statement and Sponsor's post-closing obligations following Closing).

(f) the installation by Sponsor of a smoke and carbon monoxide detector in the Residential Unit.

(g) the conveyance of title to the Residential Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens and encumbrances other than Permitted Encumbrances to which the Residential Unit's title is subject, either (a) which have been expressly accepted by Purchaser, or (b) for which the instrument required to remove it of record has been delivered to the Title Company for recording in the proper office, together with the requisite recording or filing fees or delivered to the representative of Purchaser's title insurance company (or, if none, to Purchaser's attorney); or (c) as to which the Title Company will insure (without additional premium to Purchaser) that such lien or encumbrance will not be collected out of or enforced against the Residential Unit; or (d) as to which Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at Closing.

Sponsor shall be entitled to deliver a 30 day closing notice once the Plan has been declared effective and prior to meeting the remaining Closing prerequisites set forth in this section.

At the Closing of Title to each Residential Unit, each Purchaser shall execute and deliver:

(a) a bargain and sale deed with covenant against grantor's acts, substantially in the form set forth in Part II of the Plan, in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law upon delivery to Sponsor of the Balance of the Purchase Price and such other checks and documents required pursuant to the Plan and the Purchase Agreement.

(b) a Unit Owner's Power of Attorney, substantially in the form set forth in Part II of the Plan.

(c) a notice to Managing Agent indicating whether a child under the age of eleven (11) will be living or residing (even temporarily) in the Residential Unit or if the Purchaser wants to have window guards and/or legally compliant window stops installed on the windows of the Residential Unit even though no child under the age of eleven (11) will be living in the Residential Unit. In the event that legally compliant window guards and/or window stops are to be installed, replaced, or repaired in the Residential Unit, such installation shall be performed at the direction of Managing Agent and all costs associated therewith shall be charged to and borne solely by the Purchaser of the Residential Unit.

(d) certificates or other evidence of property and liability insurance for the Residential Unit, in amounts determined by the Condominium Board.

(e) a lease surrender agreement which terminates a Tenant-Purchaser's lease for the Residential Unit or which terminates an occupant's Use and Occupancy Agreement.

(f) all other documents necessary and/ or customary in connection with the conveyance of a condominium unit as directed by Sponsor's attorney.

Purchaser's failure to execute and deliver at Closing, all documents necessary and/or customary or as directed by Sponsor's attorney in connection with the conveyance of a condominium unit, including without limitation, the documents listed in (a) through (e) above, shall constitute an event of default under the terms of the Purchase Agreement, entitling Sponsor to the default remedies set forth in the Purchase Agreement.

Ongoing construction in the Building or other Units shall not constitute a basis for Purchaser's failure or refusal to close.

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances, which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. A Purchaser electing to proceed with the purchase of the Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor for damages or otherwise by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause all Deposits together with any interest earned thereon, except for Unit Upgrade Funds, to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan.

IF THE PURCHASER FAILS TO NOTIFY SPONSOR OF PURCHASER'S ELECTION WITHIN 15 DAYS AFTER SPONSOR NOTIFIED PURCHASER OF SPONSOR'S FAILURE TO

REMEDY THE TITLE DEFECT, IT WILL BE CONCLUSIVELY DEEMED THAT PURCHASER ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances or otherwise enable the Title Company to omit such title exceptions from Purchaser's title insurance policy are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages or construction loans will not be satisfied at or prior to the First Closing, each mortgagee will either (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

Sponsor shall be entitled to adjourn the Closing (without any credit or reduction in the Purchase Price) to remove or correct any title exception that cannot be dealt with as set forth above. Sponsor is not obligated to cause Purchaser's title company to omit any exception if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception. Purchaser will be responsible to pay to the Title Company the entire premium for Purchaser's title insurance. Purchaser may obtain title insurance from any title insurance company or abstract company or not obtain any title insurance at all, at Purchaser's sole discretion (unless Purchaser's lender shall require Purchaser to purchase title insurance covering such lender).

Pursuant to 13 NYCRR 23.3(t)(4), any personal property located within the Residential Unit on the date the Purchase Agreement is executed or located within the Common Elements on the date the Declaration is filed that is owned by Sponsor is included in the conveyance unless specifically excepted in the Plan. Any personal property owned or installed by or on behalf of Sponsor or Selling Agent in the Common Elements for purposes of selling, leasing, promoting, or managing the Units or other properties owned by Sponsor or a principal of Sponsor is hereby specifically excepted from the conveyance.

Residential Units purchased by Tenant-Purchasers with respect to the Residential Units such Tenant-Purchases occupied on the Filing Date are being sold to such Tenant-Purchasers "as is" in the condition in which such Residential Units exist on the Filing Date of the Plan, subject to ordinary wear and tear and to Sponsor's obligations to maintain the Building until the First Closing and to make repairs, improvements or decorations as may be otherwise set forth in the Plan, and in accordance with the Rent Laws, if and to the extent applicable. Residential Units are being sold to Non-Tenant Purchasers and to Tenant-Purchasers with respect to Residential Units other than the Residential Units such Tenant-Purchasers occupied on the Filing Date "as is" in the condition in which they exist on the Closing Date of such Units. Sponsor will maintain the Building and the Common Elements until the First Closing, subject to ordinary wear and tear. Sponsor's obligation to make repairs in any Residential Unit shall cease upon the Closing of Title of such Residential Unit, except for repairs which Sponsor was obligated to make prior to the Closing of Title. Each Purchaser will be given a reasonable opportunity to inspect the Residential Unit prior to Closing, subject to the rights of any tenant or occupant of such Residential Unit.

At Closing, the Residential Unit will contain only those appliances, countertops, cabinets, sinks, air conditioning units (if any), hardware and other fixtures, equipment and appliances currently installed therein that are owned by Sponsor. The Residential Unit is being sold unfurnished regardless of whether the existing lease or rental arrangement for the Residential Unit provides that the Residential Unit is rented in a furnished condition. Any appliances, air conditioning units, furnishings, equipment, fixtures and other personal property owned by any tenant of the Residential Unit are not included in the sale.

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant-Purchasers, a Tenant-Purchaser who executed and submitted a Purchase Agreement and delivered the Deposit for the Residential Unit which the Tenant-Purchaser occupied on the Filing Date, before the Plan was amended, shall benefit from the more favorable terms and conditions.

All risk of loss or damage to the Building prior to the First Closing is assumed by Sponsor, but Sponsor, shall have no obligation or liability to repair the same. After the First Closing, all risk of loss or damage to the Unsold Units is assumed by Sponsor. If Sponsor or (in the event the Declaration if filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless Purchaser agrees to accept such Residential Unit without such repair (in which case Purchaser shall not receive a credit toward, or an abatement in, the Purchase Price). Thereafter, all Deposits delivered by Purchaser to Sponsor will be refunded to Purchaser unless Purchaser is then in default (beyond the applicable grace period, if any), in which event all Deposits delivered by Purchaser to Sponsor will be retained by Sponsor as and for liquidated damages, If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Residential Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair. A Purchaser electing to proceed with the purchase of a Residential Unit (rather than rescind such Purchase Agreement within 15 days of notice) will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof. A person in possession of a Residential Unit who is not a Residential Unit Owner cannot insure the Residential Unit since such person has no ownership interest. If Purchaser is or becomes the tenant or occupant of the Residential Unit before the Closing and, before the Closing, the Residential Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of losses not covered by insurance.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgement that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in the GBL or 13 NYCRR Part 23 (the regulations of the Attorney General governing the acceptance for filing of the Plan) to survive delivery of the deed.

From and after the Closing of Title to a Residential Unit, a Purchaser will thereupon become obligated for the payment of Common Charges, Special Assessments, taxes and other charges against the Residential Unit to the Condominium or the City of New York, as the case may be, and all other expenses (whether or not such Purchaser has taken possession of the Residential Unit or the Building has been completed and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant).

The existing lease of a Tenant-Purchaser who has purchased the Residential Unit such Tenant-Purchaser occupies will be terminated through execution of a lease surrender agreement as of the Closing of Title, and, as of the Closing, the Tenant-Purchaser will not have any rights afforded by nor be subject to, the Rent Laws or the GBL.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, in addition to Purchaser's legal fees, Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title. Purchasers are advised that the Storage Lockers are deemed personal property and accordingly, are not mortgageable, insurable for title insurance purposes, or otherwise subject to the imposition of transfer taxes detailed in this Section. In the event that transfer taxes are imposed on the sale of the Storage Lockers, payment of such taxes shall be the obligation of Purchaser. Recording charges, fees, title costs and taxes set forth below pertain to Residential Units only and are based on rates in effect on the Filing Date of the Plan and are subject to change without notice. Purchasers will be obligated to pay transfer taxes which are normally an expense of a seller.

(a) A non-refundable contribution to the Working Capital Fund of the Condominium in an amount equal to 2 months' Common Charges with respect to the Residential Unit based on the Condominium budget at the time of Closing.

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Purchasers are advised that because the Building will contain 10 or more Units the premium will be calculated at a discounted rate of 70% of the standard fee policy rates. Chicago Title Insurance, having an office at 711 Third Avenue, New York, New York 10017 (telephone: (212) 880-1200) ("Title Company"), has provided Sponsor with the standard fee policy rates as set forth below:

FEE RATE SCHEDULE FOR INSURANCE UP TO AND INCLUDING $1,000,000

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$342.00
From $35,001 to $50,000	$5.67 per Thousand
From $50,001 to $100,000	$4.62 per Thousand
From $100,001 to $500,000	$3.71 per Thousand
From $500,001 to $1,000,000	$3.38 per Thousand

FEE RATE SCHEDULE FOR INSURANCE OVER $1,000,000

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$402.00
From $35,001 to $50,000	$6.67 per Thousand
From $50,001 to $100,000	$5.43 per Thousand
From $100,001 to $500,000	$4.36 per Thousand
From $500,001 to $1,000,000	$3.98 per Thousand
From $1,000,001 to $5,000,000	$3.66 per Thousand
From $5,000,001 to $10,000,000	$3.25 per Thousand
From $10,000,001 to $15,000,000	$3.07 per Thousand
From $15,000,001 and up	$2.76 per Thousand

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the fee title insurance will be calculated as described in paragraph (b) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 21% of standard mortgage policy rates. Title Company has provided Sponsor with the standard mortgage policy rates as set forth below:

SIMULTANEOUS MORTGAGE RATE SCHEDULE

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$344.00
From $35,001 to $50,000	$5.55 per Thousand
From $50,001 to $100,000	$4.54 per Thousand
From $100,001 to $500,000	$3.64 per Thousand
From $500,001 to $1,000,000	$3.31 per Thousand
From $1,000,001 to $5,000,000	$3.05 per Thousand
From $5,000,001 to $10,000,000	$2.71 per Thousand
From $10,000,001 to $15,000,000	$2.55 per Thousand
From $15,000,001 and up	$2.31 per Thousand

A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company, is set forth in Part II of the Plan.

(d) A fee for recording the deed and Unit Owner's power of attorney, being $42 for each instrument plus $5 per page together with a fee of $125 for filing the New York City Real Property Transfer Tax return ("City Tax Return").

(e) New York State Real Estate Transfer Tax ("State Transfer Tax") currently equal to $2 per $500 of Purchase Price plus, if applicable, a New York State Additional Tax ("Mansion Tax") of 1% where the Purchase Price equals $1 million or more and the New York City Real Property Transfer Tax ("RPT Tax") currently equal to 1% of the Purchase Price where the Purchase Price is $500,000 or less and 1.425% of the Purchase Price where the Purchase Price is more than $500,000.

The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the State Transfer Tax and the RPT Tax, which are generally an obligation borne by a Seller, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. Consequently, the amount of the RPT Tax is computed as follows:

	Purchase Price $500,000 or less	Purchase Price Greater than $500,000
Tentative City Tax:		
Consideration	$400,000	$1,500,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 4,000	$ 21,375
Tentative State Tax:		
Net Consideration	$400,000	$1,500,000
Rounded up to nearest $500	$400,000	$1,500,000
Tentative tax ($2 per $500)	$ 1,600	$ 6,000
City Tax:		
Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Tax Rate	x 1%	x 1.425%
City Tax	$ 4,056	$ 21,765
State Tax:		
Net Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Rounded up to nearest $500	$406,000	$1,527,500
State Tax ($2 per $500)	$ 1,624	$ 6,110

Thus, the effective RPT tax rate is approximately 1.014% of the Purchase Price where the Purchase Price is $500,000 or less and 1.451% where the Purchase Price is greater than $500,000. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the Purchase Price where the consideration is $500,000 or less and $4.074 per thousand dollars of the Purchase Price where the consideration is greater than $500,000. When the Purchase Price is equal to or in excess of $1,000,000, payment by Purchaser of the Mansion Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

Sponsor has been advised by the Title Company that the information set forth below reflects the current position of the New York City Department of Finance with respect to real property transfer taxes that are due and payable in connection with the transfer by a seller of one or more units to the same or related purchasers, whether pursuant to one or more Purchase Agreements:

(1) ***Purchase of a single Residential Unit:***

The tax on the Residential Unit is 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000.

(2) ***Purchase of multiple Residential Units:***

The tax on each Residential Unit is 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000.

The Department of Finance currently takes the position that: (i) the lower tax rate (either 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000) applies only in the case of a transfer of "an individual residential condominium unit;" and (ii) the higher tax rate (either 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000) applies if a purchaser acquires more than one individual Residential Unit (i.e., two Residential Units).

(f) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is 2.05% of the face amount of the mortgage and 2.175% of the face amount of the mortgage if the mortgage is $500,000 or more. Of the total tax due, the mortgagee pays an amount equal to 0.25% of the face amount of the mortgage. In addition, there is a $30 exemption for residential property. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

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

(g) Closing fees payable to Starr Associates LLP, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

(1) $3,000 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

(2) $250 for the preparation of ACRIS transfer documents required by the City of New York.

(3) If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement (which request in all instances must be received by Sponsor's attorney no later than 7 business days prior to the Scheduled Closing Date), a fee of $1,250, payable in advance, for preparation of an assignment agreement.

(4) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of $750 for <u>each</u> rescheduled Closing granted at Purchaser's request to defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

Purchaser may pay more than one fee pursuant to (g) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Starr Associates LLP shall also be entitled to an attendance fee in the amount set forth above if such firm's representative attends a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one assignment request.

(h) If Purchaser has dealt with any broker other than Selling Agent or any other broker engaged in writing by Sponsor in connection with the purchase, then Purchaser will be required to pay any commission due to such broker.

(i) If Purchaser obtains a mortgage loan, Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s);

(j) If Purchaser is a Foreign Government Purchaser, Purchaser will be required to deposit with the Condominium an amount equal to 2 years' Common Charges with respect to the Residential Unit, based on the Condominium budget in effect as of the Closing Date.

(k) If Purchaser is a purchaser of a Residential Unit occupied by a Non-Purchasing Tenant, Purchaser will be required to deposit with the Condominium an amount equal to the greater of 2 months' rent under such Non-Purchasing Tenant's lease or occupancy agreement and 2 months' Common Charges with respect to the Residential Unit, based on the Condominium budget in effect as of the Closing Date.

All legal costs, fees and expenses of Starr Associates LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

Example of Estimated Closing Costs for a Typical Residential Unit

A numerical example of estimated closing costs and expenses for a single Residential Unit 6A with a Purchase Price of $3,690,000 and an 80% mortgage of $2,952,000 is set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $3,690,000 of owner's insurance	(70% first condo bulk sale rate)	$10,047
Mortgage Insurance Premium for $2,952,000 of lender's insurance	(21% first condo bulk sale simultaneous rate	$2,041
NYC RPT Tax	Transfer taxes are based upon grossed-up consideration. The NYC RPT rate is 1.425%.	$53,542
NYS Mansion Tax	1% of grossed-up consideration	$37,573
NYS Transfer Tax	The tax rate is $2 for every $500 of consideration or fraction thereof (grossed-up).	$15,030
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $7,380.00.	$56,796
Estimated Departmental and Bankruptcy Searches	Title Searches	$400
Estimated Recording Fees	(one deed, one mortgage and one condo power of attorney)	$530
Estimated Lender's Title Endorsements	3 endorsements at $50.00 each.	$150
Closing fees to Starr Associates LLP	Basic closing fee and ACRIS document preparation fee	$3,250
Working Capital Contribution	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	Excluding Working Capital Contribution	$179,359

This example does not include the following costs or fees, to the extent applicable: Purchaser's financing costs, legal fees of Purchaser's attorney, additional legal fees payable to Sponsor's attorney as set forth in paragraph (g) above, recording additional documents, penalty for late closing or adjustments with Sponsor (including mortgage recording tax reimbursement), apportionment of real estate taxes and insurance as described below.

Purchasers should note that adjustments for various closing items including Common Charges and real estate taxes will be made at Closing.

The foregoing projections assume that title insurance is purchased from the Title Company and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth above, plus the fee of Purchaser's attorney. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs. Furthermore, the above example does not take into account possible new taxes, increases in tax rates or recording fees or increases in the cost of title insurance.

In the event Sponsor has or will obtain a construction or acquisition loan which satisfies certain parameters and pays a mortgage recording tax thereon, it is specifically understood that, any mortgage tax credit shall inure to the benefit of Sponsor. Accordingly, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax to Sponsor, to the extent of any mortgage tax credit allowed as set forth in sub-paragraph (i).

Closing Adjustments

(i) Adjustments. At Closing, adjustments between Sponsor and Purchaser will be made as of midnight of the day preceding the Closing Date with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, and future real estate taxes and assessments in accordance with the terms of the subsection below entitled "Real Estate Taxes;" (b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and (c) if Purchaser is occupying a Residential Unit pursuant to a lease or Use and Occupancy Agreement, accrued rent and/or use and occupancy fees and other charges.

(ii) Penalties. If Purchaser fails for any reason to close title to the Residential Unit on the Scheduled Closing Date, (a) the Closing adjustments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the Actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the Scheduled Closing Date to (and including) Actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally Scheduled Closing Date, these provisions shall apply to any new Scheduled Closing Date.

(iii) Real Estate Taxes. In the event the Units have not been separately assessed for real estate tax purposes by the New York City Department of Finance ("Finance Department") prior to the First Closing. Sponsor shall deliver at the First Closing to Escrow Agent, either cash, a letter of credit or a surety bond ("Tax Security") in the amount of the real estate taxes for the next ensuing tax period ("Future Taxes"). Escrow Agent shall hold the Tax Security in escrow for the benefit of the Condominium. At each Closing prior to the date the Units are separately assessed and billed, Purchasers will be obligated to pay to Sponsor an amount equal to the Unit's pro-rata share of the Future Taxes (computed by multiplying the Common Interest of the Unit by the amount of the Future Taxes) ("Unit Tax Payment"). The Future Taxes shall be paid to the Finance Department when due by Sponsor, or by Escrow Agent using the Tax Security, either at Sponsor's direction, or upon Sponsor's failure to make such payment. If Sponsor pays the Future Taxes directly, the Tax Security shall be released to Sponsor

upon delivery to Escrow Agent of proof of payment from the Finance Department of the Future Taxes. If at the time the Future Taxes are paid, the amount of the Future Taxes has been reduced by the Finance Department as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers on account of Unit Tax Payments.

In the event the Units are separately assessed and individual tax bills are issued by the Finance Department prior to the date the Future Taxes are due, Escrow Agent shall release the Tax Security to Sponsor and Sponsor shall in turn make such appropriate refunds to Purchasers, as appropriate. In such event, Sponsor and Purchasers who closed title shall be required to pay their respective tax bills directly to the Finance Department.

With respect to subsequent Future Taxes, until the Units are separately assessed and individual tax bills are issued, the Condominium Board shall collect a Unit Tax Payment from each Unit Owner which Unit Tax Payment shall constitute additional Common Charges. Unit Tax Payments shall be payable by Unit Owners within 5 days of the date billed by the Condominium Board and shall be due and payable by such Unit Owner to the Condominium Board irrespective of whether such Unit Owner is required to escrow funds with a lender in connection with a mortgage loan on such Unit. If any Unit Owner fails to make the Unit Tax Payment as set forth above, the Condominium will have a lien on the Unit for non-payment in the same manner as Common Charges (see the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection: " Common Charges: Collection and Lien for Non-Payment" for details).

Illustration. By way of illustration only, a Purchaser closing on a Unit in the middle of December (prior to separate assessment and individual billing of real estate taxes) is obligated to: (a) adjust with Sponsor for the first-half real estate taxes (July 1 to December 31) paid by Sponsor in July for the period from Closing through December 31; and (b) deliver to Sponsor a Unit Tax Payment for the second-half Future Taxes (January 1 to June 30). Thereafter, if the Units are not separately assessed and individual tax bills are not issued prior to the next ensuing tax payment, the Condominium will have the obligation to collect from each Unit Owner a Unit Tax Payment for first-half real estate taxes (July 1 to December 31) and pay such real estate taxes directly to the Finance Department on behalf of all Unit Owners.

In the event the amount of Future Taxes is increased (due to an increase in the tax rate or otherwise) prior to the separate assessment and issuance of individual tax bills by the Finance Department, the amount of such increase shall be payable by all Unit Owners, including Sponsor (with respect to its Units), in proportion to each Unit's Common Interest, adjusted for the period of ownership of each Unit by the respective Unit Owner. Such amount of increase shall be payable to Sponsor or the Condominium Board, as the case may be, within 5 days following written notice provided to such Unit Owner. Such increase shall be deemed additional Common Charges.

Other Costs

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

(a) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of substantially Equal or Better Quality. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change.

(b) The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective (see the Section of the Plan entitled "Effective Date" for details).

(c) (1) Sponsor has entered into ("Mortgage Loan") with Bank of the Ozarks, as administrative agent for itself and other co-lenders, having an address c/o Bank of the Ozarks, 8201 Preston Road, Suite 700, Dallas, TX, 75225 ("Mortgage Lender") which are secured by the Property. Pursuant to the terms of Mortgage Loans, Sponsor must (i) enter into Purchase Agreements for at least 15% in number and 25% in saleable square footage set forth on Schedule A of the Residential Units prior to declaring the Plan effective, and (ii) meet certain minimum release prices prior to Mortgage Lender's release of the lien of the Mortgage Loans, from the Residential Unit.

(2) 101 W 78 Mezz LLC, the sole member of Sponsor ("Mezz LLC") has entered into a mezzanine loan agreement ("Mezzanine Loan") with Delphi CRE Funding LLC, having an address at c/o Acore Capital Mortgage, LP, 80 East Sir Francis Drake Blvd., Suite 2A, Larkspur, CA 94939 which is secured by Mezz LLC's ownership interests in Sponsor. The Mezzanine Loan is subject and subordinate to the Mortgage Loan. In the event Mezz LLC defaults under the Mezzanine Loan which defaults are not cured, the Mezzanine Lender's exercise of its remedies will result in a change in the ownership of Sponsor from Mezz LLC to a different entity. In such event, no purchasers shall have a right to rescind their Purchase Agreements provided an amendment to the Plan discloses such change in ownership of Sponsor.

(d) In accordance with the provisions of 13 NYCRR 23.7(cc), Sponsor has engaged a qualified firm to perform such tests as are necessary to determine whether asbestos containing material ("ACM") is present in insulating or fireproofing material anywhere in the Building. Such firm has prepared a report on ACM in the Building ("Asbestos Report"). A copy of the Asbestos Report is set forth in Part II of the Plan. Sponsor's obligations under the Plan do not include an obligation to remove any asbestos identified in the Asbestos Report. Sponsor has remediated certain ACM and obtained an ACP 21 certificate in connection therewith. Sponsor will remediate any additional ACM discovered during the course of construction. No abatement work will be performed in occupied Residential Units.

(e) Sponsor will cause to be performed and pay the cost of a program of physical improvement and capital replacement to the Common Elements in connection with the preparation of the Building for its

new status as a condominium which improvements and replacements are currently anticipated to be performed in phases. The cost of the improvements and replacements to the Common Elements set forth below will be applied (to the extent permissible under the Reserve Fund Law) in reduction of Sponsor's required contribution to the Reserve Fund and otherwise performed in compliance with the provisions of the Reserve Fund Law.

(f) The following capital replacements to the Common Elements are currently anticipated to be performed, subject to Force Majeure. Sponsor intends to apply the actual cost of these capital replacements against Sponsor's required contribution to the Reserve Fund:

(i)	Heating, Ventilation and Air-Conditioning	(Estimated Cost $3,671,000)
(ii)	Wiring	(Estimated Cost $1,329,000)
(iii)	Windows	(Estimated Cost $1,383,000)
(iv)	Elevators	(Estimated Cost $579,000)
(v)	Plumbing (including fixtures and sprinklers)	(Estimated Cost $1,875,000)
(vi)	Major Structural Replacements	(Estimated Cost $1,233,000)

See the Section of the Plan entitled "Reserve Fund" and the Reserve Fund Law set forth in Part II of the Plan for more details.

(g) The following cosmetic improvements to the Common Elements will be performed, presently estimated to be completed by on or about the fourth quarter of 2016 subject to Force Majeure:

(i)	Cleaning and restoration of the façade	(Estimated Cost $500,000)
(ii)	Renovation of the lobby and hallways	(Estimated Cost $400,000)
(iii)	Installation of new Building entrance door, including auto-assist and intercom	(Estimated Cost $100,000)
(iv)	Installation of new entrance doors to all Residential Units	(Estimated Cost $36,000)

(h) Sponsor shall not apply for a major capital improvement ("MCI") rent increase for the work described above with respect to Residential Units occupied by Bona Fide Tenants. Notwithstanding the foregoing, Sponsor shall not be prohibited from applying for MCI's for vacant Residential Units for the purpose of removing the vacant Residential Units from rent regulated status.

(i) Sponsor reserves the right to renovate and/or combine vacant Residential Units and in connection therewith, to incorporate into any vacant Residential Units portions of hallways and service areas, provided, however, such incorporation of portions of hallways and service areas are de minimis in nature so that the incorporation will not require a change in the Common Interest of the vacant Residential Units in the opinion of the Sponsor's architect.

(j) Residential Units and the Storage Lockers in close proximity to the mechanical equipment may be affected by noise and vibration.

(k) A Purchaser who closes title to a Residential Unit during the course of renovation of the Common Elements or other Units acknowledges that noise, vibration, fumes, odors, dust, debris, scaffolding

and other temporary interruption of services may affect Purchaser's enjoyment of the Residential Unit during such period. None of these conditions, however, shall violate applicable Law. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser whatsoever or any third party in the event of non-completion of any item of renovation on any projected date, or any interruption of services in the Building. Furthermore, Sponsor does not make any representation or warranty (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium or the Non-Residential Unit will not disturb occupants of the Residential Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

(l) Each renovated Residential Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit unless Sponsor and the Purchaser otherwise agree in writing. With respect to renovated Residential Units, upon receipt of the Initial Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Residential Unit within 7 days prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. If Purchaser believes that remaining items of work must be completed in the Unit, then Sponsor or its designated representative and Purchaser will at the time of the inspection agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed by Sponsor following the Closing without provision for escrow. Sponsor's obligation under the Inspection Statement shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete the work under the Inspection Statement prior to Closing shall not be grounds for Purchaser to delay the Closing or to refuse to pay the full Balance of the Purchase Price at Closing. Purchaser shall be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Notwithstanding anything set forth in this paragraph (m), with respect to a combined unit, if a letter of completion or similar document is required to reflect the combined unit and such document is in effect, Purchaser shall be obligated to close title to the Unit and pay the Balance of the Purchase Price at Closing.

(m) As is typical and customary, the Building is subject to normal settling, deflection, expansion, and shifting. Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Residential Unit Owner as a result of any defects in Building condition, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures) in any Residential Unit or any Common Elements or any other condition:

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialpersons, or others which are assigned to the Condominium Board and/or any Unit Owner;

(ii) resulting from normal wear and tear, natural deterioration, normal settling (including, without limitation, cracks in crown molding, minor gapping in the flooring, uneven ceilings or floors, and floor buckling), deflection, expansion or shifting of the Building;

(iii) resulting from Purchaser's (i) failure to maintain such appliances, equipment, finishes, materials or fixtures in accordance with manufacturers' guidelines and specifications and (ii) renovations and/or alterations to a Residential Unit or its appurtenant Residential Limited Common Elements; or

(iv) that are not of a material nature and do not violate applicable Laws, codes or regulations.

However, Sponsor is obligated to renovate those Residential Units which Sponsor has elected to renovate in accordance with the terms of the Plan and all applicable Laws. Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same not caused by the use of the Units by Unit Owners, but Sponsor will not be obligated to replace any such surfaces.

(n) NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR MONEY DAMAGES NOR SHALL PURCHASER HAVE ANY SUIT, CLAIM, CAUSE OF ACTION, OR DEMAND (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THE PLAN WILL BE TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF RENOVATION. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH ABOVE, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY DEFECTIVE OR OTHER CONDITION IN THE BUILDING (INCLUDING IN THE UNSOLD RESIDENTIAL UNITS AND THE COMMON ELEMENTS) OR IN, OR WITH RESPECT TO, ITS INSTALLATIONS, APPARATUSES, FIXTURES, FINISHES, MATERIALS, AND APPURTENANCES OTHER THAN STATED IN THIS SECTION REGARDING RIGHTS AND OBLIGATIONS OF SPONSOR. ASIDE FROM ANY SPONSOR WARRANTIES AND UNDERTAKINGS WITH RESPECT TO THE RENOVATION OF CERTAIN COMMON ELEMENTS CONTAINED IN THIS SECTION, NO OTHER WARRANTIES OR UNDERTAKINGS SHALL BE IMPLIED. HOWEVER, NO SUCH DISCLAIMER OR LIMITATION OF LIABILITY ON SPONSOR'S PART SHALL APPLY TO SPONSOR'S OBLIGATIONS UNDER ALL APPLICABLE STATUTES, LAWS AND REGULATIONS.

SPONSOR'S OBLIGATIONS, REGARDLESS OF ANY LIMITATIONS IN ANY WARRANTY OR IN THE PLAN, CANNOT GO BELOW THE DUTY TO CONSTRUCT THE BUILDING IN ACCORDANCE WITH ALL APPLICABLE LAWS AND THE PLANS AND SPECIFICATIONS, AND ANY CONFLICT BETWEEN ANY SUCH DISCLAIMERS AND SPONSOR'S OBLIGATION TO CONSTRUCT THE BUILDING IN ACCORDANCE WITH ALL APPLICABLE LAWS AND THE PLANS AND SPECIFICATIONS SHALL BE RESOLVED IN FAVOR OF THE LATTER.

(o) Except for those warranties or guarantees provided to Sponsor by contractors, manufacturers or suppliers, which Sponsor will assign to the Condominium Board and/or Unit Owners, as necessary, Sponsor does not make any warranty of any kind, express or implied, and Sponsor hereby disclaims any and all warranties, including but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the renovation of renovated Residential Units or any Common Elements and with respect to the personal property located within the Units, the Common Elements, and the Unit Owners assume all risk and liability from the use of this personal property.

Sales Center/Model Unit/FFE

In no event shall the presence of any FFE in the Sales Center or any model unit imply or represent that any Residential Unit will contain such FFE upon delivery of the Unit to Purchaser. The presence of FFE in the Sales Center or any model unit and the location, size and quantity of such FFE therein are only illustrative and will not be installed by Sponsor in any Residential Unit. The layout, size and dimensions of the model rooms located in the Sales Center or any model unit are only illustrative of the style and feel of the Residential Units in the Building and may not correspond to the exact layout, size or dimensions of any particular Residential Unit.

In no event shall the presence of any FFE in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales

and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legal permitted uses of such areas or rooms.

Real Property Law Section 339-kk

RPL §339-kk provides, by its terms, among other things, that with respect to Residential Units of a Condominium owned by Sponsor or by any other non-occupant Residential Unit Owner and occupied by a tenant:

(a) If payment of Common Charges, assessments or late fees by any non-occupant Residential Unit Owner is more than 60 days late beyond the expiration of any grace period within which they are due, payments from a tenant of such Residential Unit may become payable directly to the Condominium upon written notice from the Condominium Board to the tenant and the non-occupant Residential Unit Owner. Where a majority of the Condominium Board has been elected by Residential Unit Owners who are in occupancy of their respective Residential Units, the Condominium Board may elect not to require that the rental payments be made payable to the Condominium. Once the Common Charges, assessments and late fees of the non-occupant Residential Unit Owner have been brought current, the Condominium Board must notify the non-occupant Residential Unit Owner and tenant within 3 business days and thereafter the payments from the tenant of such Residential Unit will be payable to the non-occupant Residential Unit Owner or a designated agent.

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

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

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

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

Prospective Purchasers should review RPL §339-kk, a copy of which is set forth in Part II of the Plan to determine its effect on their own situation.

General

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Residential Unit Owner with respect to any Unsold Residential Units (for so long as Sponsor owns same) and any other obligations set forth in the Plan to be performed on the part of Sponsor, the foregoing sets

forth the entire extent of the obligations of Sponsor hereunder and no other obligations shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers under their respective Purchase Agreements. Sponsor agrees to pay all Common Charges, Special Assessments and real estate taxes with respect to the Unsold Residential Units. Sponsor represents that it has the financial resources to meet its obligations with respect to the Unsold Residential Units. Sponsor intends to meet its obligations to the Condominium through net proceeds from the sale of Residential Units, rental income from Non-Purchasing Tenants, and from additional funds which may be raised or provided by Sponsor. Sponsor makes no representations or warranties other than as set forth in the Plan. The obligations of Sponsor under the Plan and Article 23-A of the General Business Law shall survive the delivery of the deeds to the respective Residential Units. Sponsor shall not be liable for, or obligated to defend, any suits or claims with respect to any Residential Unit arising out of any occurrence taking place on or after the date of the Closing of Title to such Residential Unit or the leasing thereof to any Purchaser or, with respect to the Common Elements, arising out of any occurrence taking place on or after the date of the First Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in the Plan.

Sponsor has not furnished any bond or other security for the performance of its obligations under the Plan.

Sponsor will initially procure on behalf of the Condominium, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board") the estimated cost of which insurance as of the Filing Date of the Plan has been reflected in Schedule B. For so long as Sponsor owns at least 1 Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

The risk of loss or damage prior to Closing is assumed by Sponsor (whether or not a Purchaser is or becomes a tenant or occupant of the Residential Unit), but Sponsor shall have no obligation or liability to repair the same. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Unit without such repair (in which case Purchaser shall not receive a credit toward, or an abatement in, the Purchase Price). Thereafter, all Deposits previously delivered will be refunded to Purchaser unless Purchaser is then in default (beyond the applicable grace period, if any), in which event all Deposits previously delivered will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair. A Purchaser electing to proceed with the purchase of a Unit (rather than rescind such Purchase agreement within 15 days of notice) will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof.

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

Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer of 10 or more Residential Units or 20% of the Residential Units in the Condominium, whichever is less, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Residential Units under the Plan, applicable Law or

regulations and in the event of dissolution or liquidation, the principals of Sponsor shall guarantee the performance of such obligations.

Sponsor will cause the Condominium Board to maintain the Property in substantially the same condition and manner as on the date of presentation until Sponsor no longer controls the Condominium Board.

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

Leasing of Residential Units Prior to Closing

Sponsor reserves the right to rent or lease any vacant Residential Unit prior to Closing to the Purchaser thereof pursuant to a Use and Occupancy Agreement. Individuals leasing Residential Units from Sponsor will not, except as expressly provided in their respective Use and Occupancy Agreements, have any special rights to purchase such Residential Units. In addition, a Purchaser may be acquiring a Residential Unit which has been previously occupied, but such Residential Unit will be delivered at Closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. Any Use and Occupancy Agreement lease for a Residential Unit entered into with a Purchaser, other than a Tenant-Purchaser, will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Residential Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy entitling Sponsor, at its sole option, to terminate the Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any Use and Occupancy Agreement with respect to the Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein provided. Individuals who rent vacant Unsold Residential Units from Sponsor are not Tenant-Purchasers under the Plan and shall have no rights to purchase thereunder. Purchasers or any other Persons entering into a Use and Occupancy Agreement for a Residential Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under a Use and Occupancy Agreement shall be adjusted as of the Closing. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any Use and Occupancy Agreement. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Sponsor's Rights with Respect to Leasing Rather than Selling Unsold Residential Units

(a) Sponsor reserves the right to rent or lease any vacant Unit prior to Closing to the Purchaser thereof. After the Plan is declared effective, Sponsor reserves the unconditional right to rent rather than to sell Residential Units as they become vacant. Sponsor's right to rent rather than sell Residential Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion.

(b) Following the expiration of the Exclusive Purchase Period, Sponsor shall have the right to: (i) sell occupied Units to one or more non-occupant Purchasers for investment or resale; (ii) lease occupied Residential Units to others; or (iii) retain vacant Residential Units for future sale or rental. Any such sales are subject to the rights, if any, of Bona Fide Tenants, to purchase their Units during a subsequent Exclusive Purchase Period provided in an amendment to the Plan prior to the Effective Date. The Plan may not be declared effective based on Purchase Agreements executed by Purchasers who have not represented that they intend to occupy the Unit when it becomes vacant. (See the Section of the Plan entitled "Effective Date" for details.)

(c) Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or tenants leasing from other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant number of tenants may not be Unit Owners. Owner-occupants may never gain control and management of the Condominium since the By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. 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., purchasing as a home as opposed to as an investment. (See the Section of the Plan entitled "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for details).

(d) Prospective Purchasers should be aware that potentially they may be living with non-purchasing occupants in many of the Units for an indefinite period, depending upon market conditions. In Sponsor's sole discretion, non-purchasing occupants (other than Non-Purchasing Tenants whose rights are governed by Law) may receive the same Building services and use the Building's amenities as owner-occupants, however, they have no investment in their Units and, therefore, may not share the same economic interests as owner-occupants in the maintenance and care of the Building's facilities and amenities.

(e) Sponsor reserves the right to sell 10% or more of the Unsold Units ("Bulk Sale") to a Person which assumes the rights and obligations of Sponsor with respect to such Units.

Sponsor's Easement Rights

Sponsor shall have an exclusive easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Terraces and Storage Lockers appurtenant to occupied Residential Units and Storage Lockers) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit and (iii) to perform any renovation work with respect to Unsold Residential Units and Common Elements. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Non-Residential Unit Owner and/or Permitted Users.

Condominium Name

Pursuant to the Declaration, Sponsor shall own and control all rights to the name of the Condominium and/or the Building until the sale of the last Unit. In addition, Sponsor shall have the right to utilize other names for the Building or portion thereof for marketing and/or promotional purposes, without the consent of the Condominium Board or the Unit Owners until the last Residential or Non-Residential Unit is sold by Sponsor.

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor. Sponsor presently anticipates that the initial members of the Condominium Board shall be Robert Vahradian, Robert Rediker, Thomas Feldstein, who shall serve as President, Vice President and Secretary/Treasurer, respectively. Each of these individuals is a principal of, or is affiliated with, Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board in lieu of the above mentioned individuals. The initial Condominium Board shall conduct all affairs of the Condominium.

Sponsor will have voting control over the Condominium Board until the earlier to occur of (i) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 51% in aggregate common interest of all Residential Units offered for sale, or (ii) 5 years after the First Closing ("Sponsor Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

After the Sponsor Control Period, Sponsor, as owner of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to Residential Units owned by Sponsor, and shall designate no more than 2 Residential Members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Residential Units, and thereafter, 1 Residential Member for so long as Sponsor owns at least 1 Unsold Residential Unit. There is no restriction on the right of Sponsor to vote for Residential Members of the Condominium Board who are not related to, or affiliated with, Sponsor.

At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Residential Units as it sees fit. When voting for members of the Condominium Board, each Residential Unit Owner shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Residential Unit per Residential Member to be elected.

A meeting of Residential Unit Owners will be held to elect certain new Residential Members unrelated to Sponsor (depending on the extent of Sponsor's ownership of Unsold Residential Units at such time) within 30 days of the expiration of the Sponsor Control Period. However, after the Sponsor Control Period, Sponsor, as owner of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to Residential Units owned by Sponsor and shall designate no more than 2 Residential Members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Residential Units; and thereafter, 1 Residential Member, for so long as Sponsor owns at least one Unsold Residential Unit.

So long as Sponsor shall continue to own at least 1 Unsold Residential Unit, Sponsor shall have the right to designate 1 Residential Member to the Condominium Board, and shall have the right to vote its Common Interests attributable to the Unsold Residential Units for the remaining Residential Members of the Condominium Board.

The number of members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

During the Sponsor Control Period, Sponsor will through its control of the Condominium Board have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners. However, in the event that Sponsor is in default of its obligations under the Plan or the Condominium Documents, the decision to

proceed against Sponsor shall be made exclusively by the non-Sponsor members of the Condominium Board.

For so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; or (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of all or part of a working capital, reserve, contingency or surplus fund; or (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to enable the Condominium Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board. The term of office of the members of the Condominium Board shall be for 1 year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

The First Annual Meeting will be held approximately 30 days after the earlier to occur of (i) the fifth anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 51% in aggregate common interest of all Residential Units offered for sale. Sponsor reserves the right to call the First Annual Meeting at an earlier date.

Commencing with the First Annual Meeting, the Condominium Board shall consist of 6 individuals, 5 of whom shall be elected and/or designated in accordance with the terms of the By-Laws by the Residential Unit Owners (including Sponsor) (collectively, the "Residential Members"), and 1 of whom shall be designated by the Non-Residential Unit Owner ("Non-Residential Member"). Except for members designated by Sponsor and/or the Non-Residential Unit Owner, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, members or beneficiaries of corporations, partnerships, fiduciaries, limited liability companies or any other entities that are Residential Unit Owners or Permitted Mortgagees. The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

A Residential Member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Residential Unit Owners who are present at a meeting containing a quorum of Residential Unit Owners, provided, however, that any Residential Member designated by Sponsor may only be removed and replaced by Sponsor, and further provided, however, that the Non-Residential Member may only be removed by the Non-Residential Unit Owner, who alone shall have the right to designate a replacement. No member of the Condominium Board shall continue to serve on the Condominium Board if, during the term of office, such member shall cease to be a Unit Owner or an interested party as described in the By-Laws; provided, however, that these provisions respecting Unit Ownership and occupancy, and Condominium Board membership, shall not apply to members of the Condominium Board designated by Sponsor and/or the Non-Residential Unit Owner.

A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose. The President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate no less than 40% of the Common Interest of all Unit Owners.

All officers, and members of Condominium Board and employees of the Condominium will be insured at all times from and after the First Closing under directors and officers liability insurance in favor of the Condominium. The amount and cost of the insurance has been provided for in the First Year's Budget.

To the extent permitted by Law, members of the Condominium Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Condominium Board may

contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. The Condominium Board has a fiduciary duty to act in the best interests of the Condominium. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests indemnify each member of the Condominium Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Condominium Board.

The Condominium Board may not, without the consent of Sponsor, reduce, modify or eliminate any services provided to Non-Purchasing Tenants under the Rent Laws or their tenancies or as may be otherwise required by Law.

Purchasers should refer to the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" subsection "Amendments to Condominium Documents" for a discussion of the procedures to amend the Condominium Documents.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Residential Units

Subject to the provisions of the By-Laws, each Residential Unit Owner may either lease the Residential Unit for terms of not less nor more than 1 year or sell the Residential Unit provided that, in each instance, the Residential Unit Owner ("Offering Unit Owner") first gives the Condominium Board, on behalf of all Residential Unit Owners, notice of intention to sell or lease together with any and all application forms and documentation required by the Condominium Board, and an opportunity to purchase or lease such Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. If the Condominium Board does not elect to purchase or lease the Residential Unit within 30 days after receipt of notice, the Offering Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not executed by the Offering Unit Owner within such 60 day period or such sale or rental is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Unit Owner will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of all Residential Unit Owners. The By-Laws permit the Condominium Board to (i) borrow money on behalf of the Condominium for the benefit of Residential Unit Owners, (ii) increase Common Charges assessed against all Residential Unit Owners and (iii) impose Special Assessments against all Residential Unit Owners, in the event the Condominium Board elects to exercise its right of first refusal. Purchaser should refer to Article 7 of the By-Laws for details concerning the Condominium Board's election to exercise its right of first refusal. Any such deed given by an Offering Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Condominium Documents, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Residential Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

Any purported sale or rental of a Residential Unit in violation of this Section shall be voidable at the election of the Condominium Board. The Condominium Board may not discriminate against any person on the basis of color, race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

A Residential Unit Owner may lease, sell or convey the Residential Unit to a Family Member, may convey the Residential Unit by gift, may devise the Residential Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, the preceding restrictions. In addition, any Residential Unit Owner may lease, sell or convey the Residential Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

A Residential Unit Owner may only sell or lease the entire Residential Unit. In addition, each conveyance of a Residential Unit by a Residential Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's undivided interest in (a) the Common Elements, (b) the Residential Common

Elements (with respect to Residential Units); (c) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or rental thereof and (d) any other assets of the Condominium. No part of the Residential Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Residential Unit Owners.

A Residential Unit may not be sold or leased unless all unpaid Common Charges and liens against the Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or rental. In addition, the Condominium Board and the Managing Agent may (i) establish reasonable restrictions with respect to the sale or rental of Residential Units and (ii) implement fees in connection with the sale or rental of Residential Units, which shall be payable by the Offering Residential Unit Owner. The Condominium Board has the right, in its sole discretion, to terminate a lease, if the tenant has violated the terms of the Condominium Documents, including the Residential Rules and Regulations beyond all applicable notice and grace periods. If the tenant fails to vacate after receipt of the termination notice from the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings against the tenant.

Any restrictions upon the sale and lease of Residential Units shall not apply to the Non-Residential Unit Owner, Sponsor with respect to any Unsold Residential Units, or to Residential Unit Owners with respect to any Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, all of whom shall be free to sell or lease without first offering to sell or lease to the Condominium Board and without payment of any Resale Fee or any other fees.

Resale Fee

Notwithstanding the foregoing, pursuant to the By-Laws, a Residential Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited under the By-Laws for a period of 12 months from the Closing of the Sponsor sale ("Sponsor Sale") from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale or rental, or (iv) entering into a contract, lease or other agreement for the sale or rental of the Residential Unit or reselling or renting the Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale"). Unless it would constitute a prohibited discriminatory inducement, the prohibitions set forth in (i) through (iv) above may be waived by Sponsor upon the Residential Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion. In addition to the foregoing and notwithstanding anything contained herein to the contrary, a Residential Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited under the Purchase Agreement for a period of 12 months from the First Closing from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale or rental.

Each Purchaser who acquired a Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to sell such Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit,"

i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit per the Resale Agreement ("Resale Price") less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by the Residential Unit Owner, and (iii) actual legal fees not exceeding $5,000, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. Set forth below is an example of the calculation of a Resale Fee:

Resale Price:	$	4,500,000
- *less* Brokerage Commissions	($	270,000)
- *less* Transfer Taxes	($	82,125)
- *less* Legal Fees	($	5,000)
Net Profit	$	4,142,875
- *less* Sponsor Sale Price	($	3,000,000)
Gross Profit	$	1,142,875
x 50% = Resale Fee	$	571,438

The Resale Fee shall be paid to Sponsor by wire transfer at the Closing pursuant to the Resale Agreement. Any deductions for allowable expenses paid by a Residential Unit Owner must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable. The obligation to pay a Resale Fee shall survive the Closing of the Sponsor Sale.

The Resale Fee shall only be applicable to the first sale from Sponsor and does not apply to resales.

Sales of Storage Locker Licenses

Storage Lockers may not be licensed independently of the ownership of a Residential Unit and may be licensed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. These restrictions shall not apply to Sponsor, who may sell, assign, transfer or lease any Storage Locker to any party in its sole discretion. Each Residential Unit Owner will be required to maintain insurance for the Storage Locker in amounts sufficient to cover the property located therein. If the Condominium Board terminates a Storage Locker License or a Residential Unit Owner surrenders a Storage Locker License without assigning the Storage Locker License to another Residential Unit Owner, the Condominium Board shall have the right to issue a new Storage Locker License to another Residential Unit Owner, in its sole discretion.

Upon the issuance of a Storage Locker License to a Residential Unit Owner (by assignment or otherwise), such Storage Locker License shall be assignable as set forth above without the consent of the Condominium Board provided written notification of such assignment is delivered to the Condominium Board. Neither Sponsor nor the Condominium Board shall have any obligations or liabilities with respect to private assignments between Unit Owners.

The Condominium will not be entitled to any of the proceeds from the sale of the Storage Locker Licenses, but will have the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

Use of Units and Common Elements and Storage Lockers

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York as may be amended from time to time, and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or

any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member or officer of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law does not violate the then existing TCO or PCO covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein.

Each Storage Locker Licensee, including Sponsor as to any Unsold Storage Lockers Licenses, shall pay their pro-rata share of the projected costs incurred by the Condominium attributable to the maintenance and operation of the Storage Locker Area as set forth on Schedule B. Such pro-rata share shall be payable and collected in the same manner as Common Charges, and the failure to pay such pro-rata share will be treated by the Condominium Board in the same manner as failure to pay Common Charges.

The Condominium Board has the right to impose and/or regulate license fees payable to the Condominium in connection with the Storage Lockers. Any license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

The Storage Lockers and the Storage Locker Area will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area.

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Storage Locker for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit. Purchasers should not purchase a Unit in reliance on the use or availability of any Storage Locker and Sponsor does not make any representation or guarantee of the availability of any particular Storage Locker.

Use and occupancy of the Residential Units and the Storage Lockers shall be subject to the Rules and Regulations of the Condominium, which may be amended by the Condominium Board from time to time.

All or any portion of the Non-Residential Unit may be used for any purpose permitted by Law.

Notwithstanding the foregoing, Sponsor may, without the permission of the Condominium Board or any Unit Owners: (a) use or grant permission for the use of the Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing TCO or PCO for the Building or any other governmental regulations; (b) retain ownership of one or more Unsold Residential Units for use as model Residential Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or the Non-Residential Unit, or for any other purpose, subject only to compliance with Law; and (c) lease any Unsold Residential Unit.

The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable and which are incident to the use and occupancy of Units.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. The prohibition set forth in the preceding sentence shall not apply to a Residential Unit Owner who can establish that he or she was housing a Pet in the Unit Owner's Residential Unit prior to purchasing such Residential Unit ("Grandfathered Pet"). However, upon the removal or death of a Grandfathered Pet, a Residential Unit Owner shall be required to seek permission to house any replacement Pet. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit.

Each Unit Owner shall keep the Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair the Unit in accordance with the provisions of the By-Laws and Law. The Residential Rules and Regulations concerning the use of Residential Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Residential Unit prior to the time that they become effective (except that no amendment thereof affecting the Unsold Residential Units may be made unless agreed to in writing by Sponsor).

Mortgage of Residential Units by Residential Unit Owners

Each Residential Unit Owner may mortgage the Residential Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York State Land Title Association form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against the Residential Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Residential Unit and the Non-Residential Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents," in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Residential Rules and Regulations. The By-Laws provide that no more than 3 Residential Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor, or (ii) Institutional Lenders.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners either based on actual usage of services and facilities or in proportion to their respective Common Interest (in the case of the Non-Residential Unit) and in proportion to their respective Residential Common Interest (in the case of Residential Units). Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with

the Building; and (c) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Condominium Board of any Unit. In addition, the Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker Licenses.

At least annually, the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet Common Expenses.

During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan.

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

Common Charges: Collection and Lien for Non-Payment

Under the provisions of Section 339-z of the New York Real Property Law and the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit and, where applicable, a lien on each Unit for the replenishment of the funds required to be maintained to provide services required to Non-Purchasing Tenants as more fully set forth in the Section of the Plan entitled "Obligations of Purchasers of Residential Units Occupied by Non-Purchasing Tenants," in proportion to the respective Common Interests. Pursuant to the provisions of Section 339-aa of the New York Real Property Law, during the Sponsor Control Period, Sponsor shall cause the Condominium Board to file a lien for unpaid Common Charges against any Unit owned by Sponsor in which Sponsor is more than 30 days in arrears. All such liens, however, to the extent permitted by Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until 6 years from the date of filing (unless foreclosure of such lien is started within such 6 year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Condominium Board may assess Unit Owners a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month of such unpaid amounts (less any "late charges" theretofore collected), plus all expenses of collection, including but not limited to attorneys' fees, costs and disbursements, costs and disbursements.

No Unit Owner may become exempt from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of the Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges subsequent to a permissible sale, transfer or other conveyance of the Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying the Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, become exempt from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to the Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unsold Residential Unit thereafter accruing, unless: (i) the aggregate Residential Common Interests appertaining to the Unsold Residential Units constitutes 15% or less of the total Residential Common Interests then appertaining to all Residential Units; (ii) at least 5 years have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Residential Units being conveyed multiplied by 24.

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

Set forth in Part II of the Plan is a copy of §339-kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Condominium to serve a notice to any tenant occupying a Unit to pay its rent directly to the Condominium if the Unit Owner has failed to pay Common Charges, assessments or late fees within 60 days after the expiration of any grace period.

Repairs to, and Maintenance of, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements contained therein), including all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), the plumbing, appliances in the Units, the fireplace, firebox, dampers, mantel and flue, if any, and the interior side of entrance doors thereto, and the Terrace doors, shall be performed by the Unit Owner at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense (c) in or to the Residential Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense; and (d) in or to the Residential Limited Common Elements shall be performed (i) by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense, if involving

structural or extraordinary maintenance, repair or replacement, (except if necessitated by the negligent act or omission of the Unit Owner) or (ii) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacements (except for any skylights located in a Residential Unit, which shall be performed by the Condominium Board at the sole cost and expense of such Residential Unit Owner).

Any Residential Unit Owner having access to a Terrace shall keep such Terrace free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense with the exception that the cleaning of the exterior portion of the glass surfaces shall be performed by a professional window washing company engaged by the Residential Unit Owner, the cost and expense of which shall be borne by the Residential Unit Owner. Any replacement of any glass window located in a Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of such Residential Unit Owner, including without limitation the expense of an exterior hoist if the replacement window does not fit into the service elevator (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner must obtain the prior approval of the Condominium Board with respect to the type of replacement windows installed.

With respect to windows located in the Non-Residential Unit, the Non-Residential Unit Owner shall be responsible, at its sole cost and expense, for washing, cleaning, repairing, and replacing of the interior and exterior glass surfaces of all windows located in the Non-Residential Unit (unless the breakage is caused by the Condominium Board or any other Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be).

In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are either (x) necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., or (y) required as a result of special or custom work performed in the Unit by the Unit Owner, such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof attributable to such Unit Owner's acts or omissions shall be paid by such Unit Owner.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep the Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform

such acts as are necessary to cure such default. (See the Section of the Plan entitled "Rights of Access" for details.)

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

Alterations, Additions and Improvements of Units and Common Elements

Except for Sponsor with respect to Unsold Residential Units, no Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to the Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior approval of the Condominium Board. Except as otherwise permitted in the By-Laws, no Residential Unit Owner (except Sponsor) may make any alteration, addition, improvement or repair in or to the Common Elements without the prior approval of the Condominium Board.

To the extent that any alterations are commenced in a Unit by a Residential Unit Owner prior to Sponsor's completion of any unfinished work Sponsor agreed to perform after the Closing of the Unit, Sponsor shall be relieved of completing all such work.

Sponsor and the Non-Residential Unit Owner shall each have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of Mortgages on Units to: (a) make alterations additions, improvements, or repairs in or to their respective Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of their respective Units. (See the Section of the Plan entitled "Changes in Prices and Units" for details.)

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Residential Unit, or its appurtenant Residential Limited Common Elements each Residential Unit Owner is required by the By-Laws to (i) obtain the approval of the Condominium Board, (ii) obtain the approval of the Condominium Board of the Unit Owner's contractors and suppliers, (iii) obtain such insurance as the Condominium Board may require, (iv) agree to indemnify Sponsor, the Condominium Board, Managing Agent and the other Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (v) agree to pay and reimburse the Condominium Board for all architectural, engineering, legal and other fees incurred in connection with such alterations, additions, improvements or repairs, (vi) execute and enter into an alteration agreement, in form and substance prepared by the Condominium Board, setting forth the terms and conditions under which such alterations, additions, improvements or repairs, may be made, including without limitation, the days and hours during which any work may be performed, and (vii) agree to pay a fee to the Managing Agent for processing such alteration applications. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other workers employed in the Building or otherwise cause disharmony with any Building service union as determined by the Condominium Board in its sole and absolute discretion. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor. Under no circumstances shall a Residential Unit Owner be allowed to commence any work until all of the conditions set forth above have been complied with. Any failure to meet these conditions shall be a default by Residential Unit Owner under the Condominium Documents.

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

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration, improvement or repair to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Residential Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialperson, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Residential Unit, or the Non-Residential Unit provided any alteration to such Unsold Residential Unit or the Non-Residential Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in any Residential Unit or any liability with respect to occurrences in or about each Residential Unit or its Residential Limited Common Elements. Consequently, all Residential Unit Owners are required to obtain casualty insurance with respect to the Unit, including, without limitation, the flooring, fixtures, furniture, furnishings and personal property located within the Unit, any Residential Limited Common Elements appurtenant thereto, and any Storage Locker licensed by the Residential Unit Owner and liability insurance with respect to occurrences in or about the Unit, any Residential Limited Common Elements appurtenant thereto, and any Storage Locker licensed by the Residential Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds and shall be delivered to the Condominium at the Closing of Title to the Unit. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Residential Unit Owner.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any Managing Agent, manager, non-resident manager and other persons authorized by the Condominium Board, will have a right of access to any Unit and Storage Locker for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit and Storage Locker or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and Storage Locker and threatening another Unit or any Common Element or Storage Locker, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Storage Lockers) for purposes of performing certain alterations and

repairs in or about Unsold Residential Units or the Non-Residential Unit or Storage Lockers and in fulfilling Sponsor's obligations under the Plan, (including, without limitation, performance of improvements or replacements to the Common Elements, renovation and/or combination of Residential Units and Sponsor's Work). To the extent any such change involves entry into an occupied Residential Unit, Sponsor will repair any resulting damage to such Residential Unit. In addition, it is possible that Sponsor will install additional mechanical, electrical and/or plumbing systems or portions thereof through the concrete slabs vertically or horizontally separating Units and that such systems or portions thereof may be run across the ceiling of some rooms in certain Units and enclosed in sheetrock enclosures. Sponsor reserves the right to perform such work before or after the closing of any Unit and such change shall not be deemed a material and adverse change with respect to any Purchaser nor give rise to any claim against Sponsor by any Unit Owner, provided that access to any Unit or Storage Locker may not be exercised in such a manner as will unreasonably interfere with the use of such Unit or Storage Locker for its permitted purposes.

Compliance with Condominium Documents

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

Examination of Books and Records

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

Self-Help

In the event that any Unit Owner fails to maintain or repair the Unit or any Residential Limited Common Elements appurtenant to such Unit, if any, or any Storage Locker, if any, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

General

All restrictions and prohibitions, set forth herein with regard to the use of a Residential Unit and its appurtenant Residential Limited Common Elements shall not apply to Sponsor or any principal of Sponsor owning or leasing such Residential Unit.

Purchasers should refer to the Section of the Plan entitled "Non-Residential Unit " for a summary of additional rights and obligations of the Non-Residential Unit Owner.

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS

Condominium Board

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor (collectively, the "Members"). The Condominium Board will call the First Annual Meeting to elect a new Condominium Board approximately 30 days after the earlier to occur of (i) the 5th anniversary of the First Closing or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 51% in Common Interests of all Residential Units offered for sale. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor and the Non-Residential Unit Owner to designate members of the Condominium Board, the Residential Unit Owners (including Sponsor) shall elect and/or or designate a new Condominium Board consisting of **6** members. (See the subsection below entitled "Meetings and Votes of Unit Owners" and the Section of the Plan entitled "Control by Sponsor" for details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

Except for the Members of Condominium Board designated by Sponsor and/or the Non-Residential Unit Owner, all Members of the Condominium Board must be either Residential Unit Owners or certain interested parties as described in the By-Laws. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Member's term of office, such member shall cease to be a Residential Unit Owner or an interested party. All Members of the Condominium Board shall serve without compensation.

See Section 2.7 of the By-Laws.

Powers and Duties of and Determinations by the Condominium Board

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

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

Notwithstanding anything to the contrary contained herein, so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessment for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency, or surplus fund; (c) increase or decrease the number, or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services or facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no alternatives are available, to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any

work order of the Condominium's insurer; or (iv) to ensure the health and safety of the occupants of the Building.

See Sections 2.4 and 2.5 of the By-Laws.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect and/or designate the 5 Residential Members to the Condominium Board, subject to any rights of Sponsor to designate Residential Members to the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. 1 member of the Condominium Board shall be designated by the Non-Residential Unit Owner. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate not less than 40% of the total Common Interest. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than 40% of the total Residential Common Interests shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners.

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

See Article 4 of the By-Laws.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the First Annual Meeting. Thereafter, the President and Vice President must be members of the Condominium Board. No officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

See Article 3 of the By-Laws.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds

such amounts as may be necessary to reduce unpaid liens on the Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. Any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

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

See Section 5.5 of the By-Laws.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire and casualty insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including the core and shell of each Unit, but excluding any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to General Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine.

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

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting shall be in at least the sum set forth in the First Year's Budget.

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

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

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The premiums for all insurance referred to above shall be a General Common Expense. For so long as Sponsor owns at least 1 Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

All Unit Owners are required to obtain casualty and liability insurance for their own benefit covering their Units, any Residential Limited Common Element appurtenant thereto and any Storage Locker. All such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

See Section 5.4 of the By-Laws.

Liability of the Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the members of the Condominium Board, Managing Agent or manager thereof shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners except that a member of the Condominium Board shall be liable for such members own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability

or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners approximately 4 months after the end of each fiscal year.

See Article 16 of the By-Laws.

Amendments to Condominium Documents

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

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or Residential Rules and Regulations, other than those required by Law, shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto, or (c) against the Non-Residential Unit Owner and/or the Non-Residential Unit without the prior written consent of the Non-Residential Unit Owner.

See Article 18 of the Declaration and Article 12 of the By-Laws.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of the Non-Residential Unit Owner and at least 80% in number and in Residential Common Interest of all Residential Unit Owners. Such vote shall not be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

See Article 15 of the Declaration.

Residential Units Acquired by Condominium Board

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

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

See Section 7.3(B) of the By-Laws.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Residential Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units (other than Unsold Residential Units, as to which Sponsor reserves the right to pursue independent proceedings, at Sponsor's sole discretion). All Residential Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Residential Common Interests. In the event any Residential Unit Owner individually seeks to have the assessed valuation of the Residential 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 Residential Unit Owner in pursuing, such reduction, provided that such Residential Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, attorneys' fees, costs and disbursements) resulting from such proceedings.

See the Unit Owner's Power of Attorney.

Mechanics' Liens

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

See Section 5.2 of the By-Laws.

Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and their appurtenant Residential Limited Common Elements and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In addition, as set forth in Articles 10 and 11 of the Declaration, Sponsor and the Non-Residential Unit Owner have been granted certain easements with respect to the use and operation of their respective Units.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Storage Lockers) for the purpose of exercising Sponsor's rights, fulfilling Sponsor's obligations under the Plan and performing Sponsor's work and certain alterations and repairs in or about the Units and Common Elements. Sponsor will use commercially reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

See Article 10 and 11 of the Declaration.

The Declaration and the By-Laws

A copy of the Declaration and a copy of the By-Laws, both as amended and restated, are set forth in Part II of the Plan.

REAL ESTATE TAXES

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

The New York City real estate taxes for the First Year of Condominium Operation, which have been estimated by Sponsor's Real Estate Tax Counsel, Podell Schwartz Schechter & Banfield, to be as follows based upon their estimated assessed valuations and tax rates: Residential Units $749,000 and the Non-Residential Unit $156,500. No representation is made or assurance given as to what the actual tax rates or assessed valuations will be for such period. The tentative 2016/2017 assessed values and estimated 2016/2017 tax rates and real estate taxes (based on the most recent 2015/2016 tax rates passed by the City Council) as well as tax rates and assessed valuations for the two preceding tax years are as follows:

Residential Unit (Tax Lot 1302)

Tax Year	Class "2" Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Taxable Value	Annual Real Estate Tax
2016/2017	$12.883*	$3,906,685	$4,307,850	$3,906,685	$504,000*
2015/2016	$12.883	$3,615,223	$4,198,977	$3,615,223	$465,750
2014/2015	$12.855	$3,293,704	$4,198,832	$3,293,704	$423,406

*Estimated 2016/2017 Tax Rate and Real Estate Taxes.

Non-Residential Unit (Tax Lot 1301)

Tax Year	Class "4" Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Taxable Value	Annual Real Estate Tax
2016/2017	$10.656*	$1,230,436	$2,761,650	$1,230,436	$132,000*
2015/2016	$10.656	$771,302	$1,588,050	$771,302	$82,190
2014/2015	$10.684	$538,415	$686,376	$538,415	$57,524

*Estimated 2016/2017 Tax Rate and Real Estate Taxes.

Former Base Tax Lot 29

Tax Year	Class "2" Tax Rate per $100 of Assessed Valuation	Transition Assessed Valuation	Actual Assessed Valuation	Taxable Value	Annual Real Estate Tax
2013/2014	$13.145	$3,492,280	$4,158,900	$3,492,280	$459,061

As more fully explained in the Opinion of Counsel re: Real Estate Tax Projection set forth in Part I of the Plan, New York provides that the aggregate of the assessment of the Units plus their Common Interests shall not exceed the total valuation of the Property were the Property assessed as one parcel.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Register's office. For purposes of Schedule A, the projected real estate taxes for the Units were based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, its principals, Selling Agent, Real Estate Tax Counsel, Income Tax Counsel or any offeror be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUES OF THE PROPERTY OR THE TAX RATE(S) WILL NOT BE CHANGED.

The By-Laws provide that the Condominium is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Residential Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners (excepting Sponsor if Sponsor elects not to be included), or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which shall be substantially as set forth in Part II of the Plan, authorizes the Condominium Board to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Residential Units, including retaining counsel and

taking any other actions which the Condominium Board deems necessary or appropriate in accordance with the By-Laws.

As of the Filing Date of the Plan, there are no tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property. Any such proceedings shall be brought at Sponsor's sole cost and expense and any refunds received as a result of such proceedings shall inure solely to Sponsor's benefit.

INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Residential Units by Purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Olshan Frome & Wolosky, tax counsel to Sponsor ("Income Tax Counsel"), a copy of which is set forth in Part II of the Plan.

OLSHAN FROME & WOLOSKY IS INCOME TAX COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR

Income Tax Deductions to Residential Unit Owners

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

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

Tax Status of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association" under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income from assessments from Commercial Unit Owner(s) and interest earned on any reserve funds (less expenses directly connected with the production of such income).

Sponsor anticipates that the Condominium will qualify as a homeowners association. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated

Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Schedule B, First Years Budget for Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership.

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

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

OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-I

STARR ASSOCIATES LLP
ATTORNEYS AT LAW

220 EAST 42 STREET
NEW YORK, NY 10017
TEL 212 620 2680
FAX 212 696 5013
www.starr-lawfirm.com

Dated: February 5, 2016

101 West 78th LLC
45 Rockefeller Plaza, 31st Floor
New York, New York 10111

Re: 101 West 78 Condominium ("Condominium")
101 West 78th Street
New York, New York 10024 ("Property")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of Common Interests to the Units at the Property as required by NYCRR Section 23.3(aa)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Condominium Offering Plan ("Plan") for the Property.

In connection with the rendering of this opinion we have reviewed the determination of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is also based upon the factual determinations made by First Service Residential ("Real Estate Broker") set forth in its opinion contained in the Plan as required by NYCRR Section 23.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Real Estate Broker. Accordingly, in the event that facts presented by the Real Estate Broker were or prove incorrect in no event will Starr Associates LLP be liable.

Based upon our review of the foregoing, we have determined that the method selected by the Real Estate Broker to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will Sponsor, Starr Associates LLP, Selling Agent, Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

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

Very truly yours,

STARR ASSOCIATES LLP

By: Allan Starr
Name: Allan Starr
Title: Partner

ATTORNEY'S INCOME TAX OPINION

O L S H A N

PARK AVENUE TOWER • 65 EAST 55TH STREET • NEW YORK, NEW YORK 10022
TELEPHONE: 212.451.2300 • FACSIMILE: 212.451.2222

EMAIL: WGLEICHER@OLSHANLAW.COM
DIRECT DIAL: 212.451.2231

July 9, 2015

101 West 78th LLC
45 Rockefeller Plaza, 31st Floor
New York, NY 10111

Re: 101 West 78 Condominium

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for 101 West 78 Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Residential Unit Owner may place a separate mortgage on his Residential Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by the owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $1,000,000, or $500,000 in the case of a married individual filing a separate return. In addition, an individual

may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above (or $50,000 of indebtedness in excess of the $500,000 limit in the case of a married individual filing a separate return) as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Residential Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 101 West 78 Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of residential units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Units within the project is used by individuals for residential purposes. Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that more than 85% of the total square footage of the Premises will be used by individuals for residential purposes and that no person may rent his Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, it is our opinion that the Association will be eligible to elect tax-exempt status under Code Section 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Units. However, the Association will be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New

York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.[1]

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

ALL UNIT OWNERS, POTENTIAL RESIDENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH RESIDENTIAL UNIT OWNER, EACH POTENTIAL RESIDENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely yours,

OLSHAN FROME WOLOSKY LLP

[1] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

OPINION OF COUNSEL RE: REAL ESTATE TAX PROJECTION

LAW OFFICES

PODELL, SCHWARTZ, SCHECHTER & BANFIELD, LLP

605 THIRD AVENUE
NEW YORK, N.Y. 10158

(212) 883-6500
FAX: (212) 883-6518
WWW.PSSB-LAW.COM

SENIOR COUNSEL
ALLAN C. SCHWARTZ

SPECIAL COUNSEL
VICTOR HADE

February 3, 2016

101 West 78th LLC
c/o GTIS Partners
45 Rockefeller Plaza, 31st Fl.
New York, NY 11374

Re: THE 101 WEST 78 CONDOMINIUM
101 West 78th Street
Block: 1150, Lots: 1301 & 1302 (to be apportioned)
Borough: Manhattan

Gentlemen:

You have requested that we provide you with an estimate of the above property's real estate tax assessments and real estate taxes following its renovation and conversion into a mixed-use condominium.

You have advised us that you are the fee owner of the above property. According to New York City Department of Finance records, the property consists of a land area of 10,217 square feet and is currently improved by a 7-story, 81,865 square-foot (gross, including basement), mixed-use structure constructed in 1900. Finance records indicate the property, which was formerly designated as tax lot 29, was apportioned into two (2) condominium tax lots - - lots 1301 and 1302 - - beginning with the 2014/15 tax year.

According to Finance records, lot 1301 consists of 12,794 square feet (gross) of 1st floor and cellar commercial retail space and is classified for tax purposes in commercial tax "class 4." You have advised us that lot 1302 contains 44 rental apartments. Finance records indicate lot 1302 consists of 69,071 square feet (gross) located on floors 1 through 7 and is classified in residential tax "class 2." You have advised us that Finance's square footage areas appear to be correct.

As described in more detail below, you have advised us that you intend to expand and partially renovate the residential portion of the building and apportion it into residential condominium units pursuant to a "non-eviction plan" and that commercial lot 1301 (which will not be renovated) will be offered "as is."

In this regard, you have informed us that eleven (11) of the residential units are rent regulated and will continue to be occupied by existing tenants and that, pursuant to an agreement with the New York State Attorney General's Office, these tenants have been

granted a two (2) year rent-free occupancy period beginning in June, 2015. You have advised us that these rent-regulated units will not be renovated and will remain "as-is."

You have further advised us that you intend to: 1) Expand the first floor by partially enclosing an interior courtyard, expand floors 1-7 by enclosing an existing shaft, and add a penthouse level above the existing structure, thereby enlarging the building by 6,492 square feet; 2) Renovate and combine the remaining thirty-three (33) apartments together with the added space to create seventeen (17) residential units; 3) Install a new elevator, install new mechanical systems in the renovated apartments, renovate the lobby and hallways, and upgrade building-wide systems; and 4) Create residential storage units in the cellar from space that is currently designated as a limited common element of residential lot 1302. You have further advised us that, upon completion, the resulting 88,357 square-foot (gross) building will be converted into a mixed-use condominium consisting of following units:

- The existing commercial retail unit designated as lot 1301 located on the first floor and cellar;
- 28 residential units (including the 11 rent regulated units) located on floors 1 through 8 (penthouse); and
- 18 storage units consisting of approximately 581 square feet in total located on the first floor and cellar that will be licensed to residential unit owners.

You have advised us that you commenced renovation work during July, 2015 and anticipate completing work in November, 2016. You have further advised us that the first year of condominium operation will be from January 1, 2017 through December 31, 2017.

Although the setting of an assessment on any particular property is subject to an individual assessor's subjective determination based upon general assessment guidelines, it is possible to estimate an approximate assessed value based upon a number of factors. These factors include actual construction costs (if applicable), the property's location, a hypothetical economic analysis of the condominium as if it were a rental property (as required pursuant to section 581 of the New York Real Property Tax Law), assessed valuations of comparable buildings and New York City Department of Finance Assessment Guidelines. We have examined these factors in arriving at our estimates.

New York City is an annual assessing jurisdiction and is required to assess property for each upcoming fiscal tax year (July 1 – June 30) based upon its use and condition on January 5th (taxable status date). Annual increases or decreases in assessed value resulting from construction, demolition or other physical changes to the property (i.e., "physical" or "alteration" increases) are taxable the year they are levied. For "class 2" residential properties having more than 10 units, annual assessment increases or

decreases not resulting from physical changes (i.e., "equalization" changes) are phased in for tax purposes over a five (5) year period at 20% per year. Hence, two assessed values: 1) the "actual assessment," which is reflective of the City's claimed market value; and 2) the "transitional assessment," which is based on physical increases and the 5-year phase in of equalization changes. Real property taxes in any given year are based on the lesser of the actual or transitional assessment.

The subject property's assessment history is as follows:

			Land	Total
Lot 1301:				
Tentative	2016/17	Actual	$ 220,023	$2,761,650
		Transitional	$ 220,023	$1,230,436
Final	2015/16	Actual	$ 220,023	$1,588,050
		Transitional	$ 220,023	$ 771,302
Final	2014/15	Actual	$ 220,023	$ 686,376
		Transitional	$ 220,023	$ 538,415
Lot 1302:				
Tentative	2016/17	Actual	$1,345,977	$4,307,850
		Transitional	$1,345,977	$3,906,685
Final	2015/16	Actual	$1,345,977	$4,198,977
		Transitional	$1,345,977	$3,615,223
Final	2014/15	Actual	$1,345,977	$4,198,832
		Transitional	$1,345,977	$3,293,704
Former Lot 29:				
Final	2013/14	Actual	$1,566,000	$4,158,900
		Transitional	$1,566,000	$3,492,280

You have advised us that as of January 5, 2016, the first taxable status date following the July, 2015 start of renovation work and the basis for the property's 2016/17 assessed value, the project was approximately 10% complete. As set forth above, The New York City Department of Finance has tentatively set the property's 2016/17 taxable assessed values (i.e., the lesser of the property's actual or transitional assessed values) in the following amounts:

	Tentative 2016/17 Assessed Values		
	Actual	Transitional	Taxable
Commercial Lot 1301 . . .	$2,761,650	$1,230,436	$1,230,436
Residential Lot 1302 . . .	$4,307,850	$3,906,685	$3,906,685

The City's tentative assessment roll, which was published on or about January 15, 2016, continues to classify lot 1301 (which is not being improved) for tax purposes in commercial "class 4" and the partially renovated lot 1302 in residential "class 2." While commercial "class 4" tentative assessed values are subject to change by the Department of Finance until May 1st and residential "class 2" tentative values are subject

to change until February 20th, we have adopted the tentative 2016/17 taxable assessed values in projecting the property's 2016/17 real estate taxes.

The most recent tax rates available as of the date of this letter are those passed by the City Council for the 2015/16 tax year. The 2015/16 "class 4" and "class 2" tax rates are 10.656% and 12.883%, respectively. For purposes of this projection, we utilized the 2015/16 commercial "class 4" and residential "class 2" rates as the estimated 2016/17 tax rates. Based on the tentative 2016/17 taxable assessed values, we estimate that gross real estate taxes due for the fiscal year July 1, 2016 through June 30, 2017 will be in the following amounts:

	Estimated 2016/17 Taxes
Commercial Lot 1301 . . .	$ 132,000
Residential Lot 1302 . . .	$ 504,000

You have advised us that the first taxable status date following the anticipated completion of the residential renovation work and tax lot 1302's apportionment into separate residential condominium tax lots will be January 5, 2017, which will be the basis for the property's 2017/18 assessed values. We estimate that the property's total post-completion assessed values will be in the following amounts:

	Estimated 2017/18 Assessed Values		
	Actual	Transitional	Taxable
Commercial Unit (Lot 1301) . . .	$2,850,000	$1,695,000	$1,695,000
28 Residential Units . . .	$7,900,000	$7,710,000	$7,710,000

We assume that the 28 residential condominium units will be classified for tax purposes in residential tax "class 2" and the commercial unit will continue to be classified in commercial tax "class 4." As set forth above, the most recent tax rates available as of the date of this letter are those passed by the City Council for the 2015/16 tax year. For purposes of this projection, we have estimated that the 2017/18 residential "class 2" and commercial "class 4" tax rates will be in the approximate amount of 12.883% and 10.656%, respectively (i.e., the 2015/16 tax rates). Given the foregoing projected 2017/18 taxable assessed values and tax rates, we estimate that the gross real estate taxes due for the fiscal year July 1, 2017 through June 30, 2018 will be in the following amounts:

	Est. 2017/18 Taxes
Commercial Unit (Lot 1301) . . .	$ 181,000
28 Residential Units . . .	$ 994,000

You have advised us that the first year of Condominium operation will be from January 1, 2017 through December 31, 2017. Based on the foregoing projections for the 2016/17

and 2017/18 fiscal tax years, we estimate gross real estate taxes for the Condominium's first year of operation to be in the following amounts:

	Est. First Yr. Taxes
Commercial Unit . . .	$156,500
28 Residential Units . . .	$749,000

It should be noted that the estimated real property taxes for the first year of condominium operation (i.e., January 1, 2017 through December 31, 2017) do not reflect the fully completed building.

We have been advised that it is the policy and practice of the New York City Department of Finance to assign separate tax lots and apportion the assessed valuation of a condominium among the various units based upon the percentage of common interest contained in the Condominium Declaration. We have employed this methodology in apportioning the estimated taxable assessed value and real estate taxes among the 28 residential units.

A schedule of estimated real property taxes by residential unit for the first year of condominium operation as well as estimated assessed values and taxes for the first post-renovation and conversion tax year (i.e., 2019/20) based on relative percentages of common interest set forth in schedule "A" in the Offering Plan is attached.

It should be noted that, although it is currently Finance's stated policy to apportion the assessed values of condominium properties among the various units on this basis, Finance has used different methodologies in the past. No warranty or guarantee is made herein that assessed values will not be apportioned based on a different method.

Following the property's completion and apportionment into condominium units, individual residential unit owners may qualify for Condominium Abatement Program benefits pursuant to section 467-a of the New York Real Property Tax Law. The Program provides partial tax relief for residential "class 2" condominium unit owners whose unit is their primary residence. Currently, abatement benefits for condominiums with an average taxable assessed value per unit greater than $60,001 are calculated and determined at 17.5% of the taxes otherwise payable.

We have not included this potential benefit in our estimates set forth above. **We make no warranty or guarantee that the Condominium Abatement Program will be available to unit owners upon completion of construction or that the Program will not be revised in a manor impacting potential availability.**

Assuming the program is available, the Condominium Board of Managers or its agent must file an application for the Condominium Abatement on behalf of all eligible unit

owners (unit owners do not apply individually). Applications have historically been due by February 15th for the following fiscal tax year starting July 1st.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and publicly available tax records and are subject to variation. No government agency has passed upon these figures or the estimates of assessed valuation and taxes herein. We have not passed on the accuracy of any figures or estimates contained in the Offering Plan, and offer no warranties on real estate assessments, tax classifications, taxes, or tax rates for any period. All prospective purchasers are advised that, although the estimates of assessed valuations upon conversion are good faith estimates, such assessed valuations when actually made may be less or greater than as estimated herein.

The above estimates do not take into account any future increases in the level of assessed valuation applied to residential property or any increase in the real estate tax rates. The above opinion is based upon our interpretation of The New York State Real Property Tax Law and The Administrative Code of the City of New York and is not intended to be a guarantee or assurance that the actual or transitional tax assessments, tax rates or actual taxes will be as estimated.

No representation is made that the provisions of law or New York City Department of Finance policies and practices will apply at the time the property's conversion is complete. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one of more agencies of the City of New York, or Courts of competent jurisdiction.

While we believe our opinions are well-founded, they are not intended, and should not be construed as representations or warranties that assessments, tax rates, and taxes will not be determined in a different amount. The foregoing analysis is based upon our knowledge of the making and review of assessments by the Real Property Assessment Department and the Tax Commission of the City of New York with respect to residential properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a different result.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,
PODELL, SCHWARTZ, SCHECHTER
& BANFIELD, LLP

BY: _____
PAUL V. GRECO

PVG:

PODELL, SCHWARTZ, SCHECHTER & BANFIELD, LLP

Schedule of Estimated Real Property Taxes By Residential Unit (as of February 3, 2016):

THE 101 WEST 78 CONDOMINIUM
101 West 78th Street

Unit	Percentage of Common Interest	1st Tax Year Following Completion: Estimated 2017/18 Taxable Assessed Value	Estimated 2017/18 Taxes	Estimated Taxes 1st Year of Condo Operation (1/1/17-12/31/17)
3A	2.8766%	$ 221,786	$ 28,593	$ 21,546
3B	7.8007%	$ 601,435	$ 77,539	$ 58,427
3C	4.6110%	$ 355,508	$ 45,833	$ 34,536
4A	2.8766%	$ 221,786	$ 28,593	$ 21,546
4B	7.7516%	$ 597,649	$ 77,051	$ 58,060
4C	4.4292%	$ 341,492	$ 44,026	$ 33,175
5A	4.4746%	$ 344,992	$ 44,478	$ 33,515
5B	6.2368%	$ 480,858	$ 61,994	$ 46,714
5C	4.4292%	$ 341,492	$ 44,026	$ 33,175
6A	3.3545%	$ 258,632	$ 33,344	$ 25,125
6B	1.2863%	$ 99,174	$ 12,786	$ 9,634
6C	5.7325%	$ 441,976	$ 56,981	$ 42,936
6D	1.8397%	$ 141,841	$ 18,287	$ 13,779
6E	2.3251%	$ 179,265	$ 23,112	$ 17,415
7A	3.4792%	$ 268,247	$ 34,583	$ 26,059
7B	1.1616%	$ 89,559	$ 11,546	$ 8,700
7C	2.2193%	$ 171,108	$ 22,060	$ 16,623
7D	3.5132%	$ 270,868	$ 34,921	$ 26,314
7E	1.8397%	$ 141,841	$ 18,287	$ 13,779
7F	2.3251%	$ 179,265	$ 23,112	$ 17,415
8A	3.2620%	$ 251,500	$ 32,424	$ 24,432
8B	1.3618%	$ 104,995	$ 13,536	$ 10,200
8C	2.3176%	$ 178,687	$ 23,037	$ 17,359
8D	2.1787%	$ 167,978	$ 21,656	$ 16,318
8E	1.4506%	$ 111,841	$ 14,419	$ 10,865
8F	1.8472%	$ 142,419	$ 18,361	$ 13,836
8G	2.3251%	$ 179,265	$ 23,112	$ 17,415
PH	10.6944%	$ 824,539	$ 106,302	$ 80,101
Total	100.000%	$ 7,710,000	$ 994,000	$ 749,000

WORKING CAPITAL FUND AND APPORTIONMENTS

Each Purchaser of a Residential Unit shall be required to make a non-refundable contribution at the Closing to the working capital fund of the Condominium ("Working Capital Fund") in an amount equal to 2 months' Common Charges with respect to the Residential Unit based on the Condominium budget in effect at the time of Closing. The payment of the Working Capital Fund contribution shall be required of all Purchasers of Residential Units, whether purchased from Sponsor or purchased from a Residential Unit Owner on a resale.

At or subsequent to the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing, to the extent applicable:

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any.

(3) charges for electricity and other utilities for the Common Elements.

(4) cost of fuel on hand (plus sales tax), if any.

(5) charges and receipts in connection with service, maintenance and concession contracts.

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units).

(7) cost of building supplies on hand at Sponsor's cost (including sales tax).

(8) premiums for transferable insurance policies, if any.

(9) janitorial service fees, if any.

(10) management fees.

(11) building supplies (including, but not limited, to uniforms, cleaning supplies, carts, luggage).

(12) other customary closing adjustments.

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

If the result of Closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be evidenced by an unsecured, negotiable promissory note, without interest, to be executed by the Condominium Board and delivered to Sponsor at the First Closing to be repaid on the first anniversary of the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

The Working Capital Fund will be used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges. While Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce Common Charges. (See the Section of the Plan entitled "Control By Sponsor" for details.)

The Condominium Board will be able to utilize the funds in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Residential Units. In addition, within 3 months following the end of the Sponsor Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs, replacements or major improvements, for the first or any subsequent year of Condominium operation. If additional funds are required over and above the Working Capital Fund to cover expenses of the Building operation, it may be necessary to increase Common Charges or make Special Assessments. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

The New York City Council enacted Local Law 70 which amended Chapter 51 of the Administrative Code of the City of New York ("Reserve Fund Law"), the full text of which is set forth in Part II of the Plan. The Reserve Fund Law requires the sponsor of an offering plan for the conversion of a building from rental to condominium status to establish a reserve fund ("Reserve Fund") to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such building. The Reserve Fund shall be provided by Sponsor and shall be in addition to (i) a Working Capital Fund established and (ii) applicable warranties or guaranties, if any, set forth in the Plan with respect to capital repairs, replacements and improvements.

Sponsor shall, within 30 days after the First Closing, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

(i) 3% of the sum of the cost of all Residential Units offered for sale pursuant to the Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of the Plan regardless of the number of sales made ("Total Price"), or

(ii) (A) 3% of the actual sales prices of all Residential Units offered for sale pursuant to the Plan which are sold by Sponsor at the Effective Date, provided, however, that if such amount is less than 1% of the Total Price, then the Reserve Fund shall be established as a minimum of 1% of the Total Price; plus

(B) supplemental contributions to be made by Sponsor at a rate of 3% of the actual sales price of Residential Units for each Residential Unit held by Sponsor and sold to Bona Fide Purchasers subsequent to the Effective Date of the Plan and within 5 years of the First Closing notwithstanding that the total amount contributed may exceed 3% of the Total Price; and provided, further, that if 5 years from 30 days after the First Closing, the total contributions by Sponsor to the Reserve Fund are less than 3% of the Total Price, Sponsor shall pay the difference between the amount contributed and 3% of the Total Price. The supplemental contributions made under this subparagraph (B) shall be made within 30 days of each sale of a Residential Unit under the Plan.

Based upon the Offering Price to Tenant Purchasers set forth in the Plan utilizing alternative (i) above, the Reserve Fund is estimated to be $249,840 and is subject to change after crediting Sponsor with a 1% capital replacement credit.

The Reserve Fund may not be reduced by closing apportionments but Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements begun after the Plan is submitted for filing to the Department of Law and before the Plan is declared effective. Such credit may not exceed the lesser of the actual cost of the capital replacements or 1% of the Total Price. The Plan will be amended to disclose any items to be replaced and the actual or estimated cost thereof. See the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection(f) for a description of the capital replacements for which Sponsor presently intends to receive credit against the mandatory initial contribution.

The exact amount of the Reserve Fund under the Reserve Fund Law cannot be determined until the First Closing since it depends on which option Sponsor chooses under the Reserve Fund Law. Under no circumstances will the Reserve Fund be less than 2% of the Total Price. No Purchaser will be entitled to rescind a Purchase Agreement solely because the actual amount of the Reserve Fund is less than the estimated amount.

The Reserve Fund Law also requires Sponsor not later than the 30th day following the Filing Date of the Plan and until the First Closing to post and maintain in a prominent place accessible to tenants

in the Building a list of all violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within 48 hours of their issuance or will be made available at the Building for inspection by tenants.

The Condominium Board is required under the Reserve Fund Law to provide a semi-annual report with respect to all deposits into and withdrawals from the Reserve Fund

Sponsor does not, to the best of Sponsor's knowledge, presently know of any capital items that are necessary or are likely to be necessary within 5 years from the commencement of the First Year of Condominium Operation.

The following capital replacements to the Common Elements are currently anticipated to be performed, subject to Force Majeure. Sponsor intends to apply the actual cost of these capital replacements against Sponsor's required contribution to the Reserve Fund:

(i)	Heating, Ventilation and Air-Conditioning	(Estimated Cost $3,100,000)
(ii)	Wiring	(Estimated Cost $1,200,000)
(iii)	Windows	(Estimated Cost $960,000)
(iv)	Elevators	(Estimated Cost $500,000)
(v)	Plumbing	(Estimated Cost $1,800,000)
(vi)	Major Structural Replacements	(Estimated Cost $1,000,000)

Sponsor will obtain warranties for these capital replacements as follows:

Capital Replacements

(i) Heating, Ventilation and Air-Conditioning

Warranty Length: material 5 years; parts and labor 1 year from installation

(ii) Wiring

Warranty Length: 5 years from installation of panels and wiring

(iii) Windows

Warranty Length: material and labor 10 years from installation

(iv) Elevators

Warranty Length: material and labor 1 year from installation of elevator equipment and cabs

(v) Plumbing

Warranty Length: material and labor 5 years from installation of boiler and pressure vessel

(vi) Major Structural Replacements

Warranty Length: labor 1 year following installation of structural steel

Subsection (A) (xxxii) of Section 2.4 of the By-Laws entitled "Powers and Duties of the Condominium Board" authorizes the Condominium Board to maintain a reserve fund in compliance with Local Law 70 for the purpose of making capital repairs and/or capital replacements to the Property.

These capital replacements commenced after the submission of the initial submission of preliminary plan and most of the capital replacements are intended, subject to Force Majeure to be substantially completed before the Plan is declared effective.

The Description of Property and Building Condition does not disclose the present need for the repair or replacement of capital items.

Sponsor intends to replace the existing boiler with a new gas-fired boiler.

Sponsor agrees not to use any of the Reserve Fund to fund capital repairs or capital replacements while Sponsor is in control of the Condominium Board. Any decision to use the Reserve Fund during the Initial Control Period shall be made exclusively by the non-Sponsor members of the Condominium Board.

In the event that at any time prior to the First Closing, the Reserve Fund Law is repealed, Sponsor will not be obligated to comply with its requirements and may not provide a Reserve Fund. In such event, all Purchasers will be given 15 days after receipt of an amendment disclosing such repeal of the Reserve Fund Law to rescind their Purchase Agreements and be refunded all monies paid thereunder. In the event that on or after the First Closing, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in the Plan notwithstanding such repeal.

No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges, levy a Special Assessment against the Unit Owners or seek financing from a lender. The Reserve Fund may only be used for capital expenditures and replacements and may not be used to reduce Common Charges. The obligations under the Reserve Fund Law shall not be waived under any circumstances except as may permitted under Law.

The Reserve Fund may never be used to pay Common Charges or any other expenses of the Condominium other than permitted capital repairs and capital replacements.

The obligations under the Reserve Fund Law cannot be waived under any circumstances.

THE PROPERTY IS BEING OFFERED IN ITS CURRENT CONDITION "AS IS," WITH NO REPRESENTATIONS OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SPONSOR OR THE SELLING AGENT WILL HAVE NO OBLIGATION TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THE PLAN OR REQUIRED BY LAW. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and First Service Residential ("Managing Agent"), having an office at 622 Third Avenue, New York, New York 10017 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent.

The Management Agreement will provide for an initial term of 2 years commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will continue on an annual basis at a 4% increase per annum, but may be cancelled by either party without cause, upon not less than 30 day's prior written notice.

Managing Agent will receive an annual fee, payable in equal monthly installments during the initial term of the Management Agreement as follows: $40,000 per annum. The management fee is comparable to the rate for similar services in comparable buildings. In addition, for services rendered to Residential Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Residential Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, (ii) mortgage or refinance of an existing mortgage on a Residential Unit and (iii) alter or renovate a Residential Unit, Managing Agent shall receive a fee from the Residential Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

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

(1) billing and collecting Common Charges.

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board.

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements.

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

(5) supervising, hiring, discharging and paying employees necessary for the proper maintenance and operation of the Building.

(6) rendering monthly statements of receipts and disbursements to Sponsor or other designated entity, upon request.

(7) maintaining payroll records and filing withholding tax statements for employees.

(8) maintaining accurate sets of books for the Condominium Board.

(9) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year.

(10) attending meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings.

(11) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board.

(12) processing applications of Unit Owners for permission to alter the Residential Units.

(13) processing applications for waivers of the right of first refusal.

(14) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building.

Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a fidelity insurance policy in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by Managing Agent, its directors, officers or employees.

The Management Agreement provides that the Condominium Board shall indemnify Managing Agent with respect to claims in connection with Managing Agent's carrying out the provisions of the Management Agreement or acting under the express or implied directions of the Condominium Board, unless arising from the gross negligence, bad faith or willful misconduct of Managing Agent in carrying out its duties.

Sponsor reserves the right during the Sponsor Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. The Management Agreement may not be assigned by Managing Agent without the prior written approval of the Condominium Board. The Condominium Board may not assign the Management Agreement.

All management services provided by the Managing Agent must be provided on a non-discriminatory basis to Non-Purchasing Tenants and Unit Owners alike pursuant to General Business Law Section 352-eeee.

IDENTITY OF PARTIES

Sponsor

101 West 78th LLC is a limited liability company organized under the laws of the State of Delaware, with an office at 45 Rockefeller Plaza, 31st Floor, New York, New York 10111 ("Sponsor").

The principals of Sponsor who will be making and taking part in this offering are Thomas M. Shapiro and Robert Vahradian, having an office address c/o Sponsor at 45 Rockefeller Plaza, 31st Floor, New York, New York 10111.

Thomas M. Shapiro is the President and Founder of GTIS. In addition, Mr. Shapiro is the Chief Investment Officer and is responsible for overseeing all investment activities and strategy of the firm. He is also Chairman of the General Partner's Investment Committee. Prior to starting GTIS, Mr. Shapiro was a Senior Managing Director at Tishman Speyer and a member of the firm's Investment and Management Committees. Mr. Shapiro received a B.S. from The Wharton School, University of Pennsylvania where he graduated magna cum laude.

Robert Vahradian is a Senior Managing Director of GTIS and a member of the General Partner's Investment Committee. His primary responsibilities include running the firm's U.S. investment business. Mr. Vahradian has 28 years of real estate experience at a variety of organizations. Previously, Mr. Vahradian was President of Allied Partners, a private real estate investment company, where he was responsible for the firm's investment and development projects. Prior to Allied, Mr. Vahradian was Chief Operating Officer and principal of The Athena Group, L.L.C., a residential investment and development company based in New York. Mr. Vahradian managed the investment, financing and operating activities of Athena and its affiliated equity funds, whose investors were comprised of institutions and high net-worth family offices. During his 5-year tenure through 2005, the firm invested in and/or developed primarily residential projects located in the New York, Washington, D.C. and South Florida metropolitan areas. Prior to Athena, Mr. Vahradian was a Director in Credit Suisse First Boston's real estate investment banking and principal groups. Mr. Vahradian received a B.S. in Electrical Engineering, summa cum laude, from Tufts University and holds an M.B.A. from The Wharton School, University of Pennsylvania.

Prior Offerings

Sponsor and principals of Sponsor have not taken part in any public offerings which were initially offered during the past 5 years.

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

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 220 East 42 Street, New York, New York 10017 to represent it in connection with the Plan and to serve as Escrow Agent. Allan Starr, Esq., Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Residential Units.

Sponsor has retained the law firm of Olshan Frome & Wolosky, having an office at 65 East 55th Street, New York, New York 10022 to prepare the Income Tax Opinion for the Condominium and Unit Owners.

Sponsor has retained the law firm of Podell Schwartz Schechter & Banfield, having an office at 605 Third Avenue, New York, New York 10158, to provide the Real Estate Tax Projection Opinion set forth in Part I of the Plan.

Selling Agent

Selling Agent for the Condominium will be Brown Harris Stevens, having an address at 445 Park Avenue, 12th Floor, New York, New York 10022. Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for many years.

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

Managing Agent

Managing Agent for the Condominium will be First Service Residential, having an office at 622 Third Avenue, New York, New York 10017. Managing Agent is a real estate and management firm that has been in business for many years. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of residential real estate for many years. It currently provides property management services for many residential cooperatives and condominiums.

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

Construction Professionals

Sponsor has retained the following professionals in connection with this Plan:

a) Architect of Record

H.T.O. Architect, PLLC, having an office at 370 Seventh Avenue, #220 New York, New York 10001 is the architect of record for the Building ("Architect"). The Architect prepared the "Description of Property and Building Condition" and the Floor Plans of the Units set forth in Part II of the Plan and will prepare the Floor Plans which will be filed with the Division of Land Records of the New York City Department of Finance required in order to create the Condominium. Architect has also examined the physical condition of the Building and has rendered its report thereof and a Certification which is set forth in Part II of the Plan. Architect has been providing architectural services for many years.

b) Mechanical Engineer

Edwards & Zuck, D.P.C., having an office at 315 Park Avenue South, New York, New York 10010, is the mechanical engineer for the Building. The Mechanical Engineer has been providing engineering services for many years.

c) Structural Engineer

Severud Associates P.C., having an office at 469 Seventh Avenue, New York, NY 10018, is the structural engineer for the Building. They have been providing a full range of structural engineering consulting services, including analysis and design of structures, construction document preparation, construction contract administration, consultations, evaluations and reports. In their many years of practice, they have completed more than 12,000 projects in the United States and abroad.

Condominium Budget Expert

Sponsor has engaged First Service Residential, having an address at 622 Third Avenue, New York, New York 10017, as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B - Estimated Budget for Projected First Year of Condominium Operation" in consultation with Sponsor. The Budget Expert has rendered a certification as to the adequacy of the First Year's Budget and a certification as to the adequacy of the Common Charges payable by the Non-Residential Unit Owner, which may be found in Part II of the Plan.

Related Parties

Sponsor and its principals have no affiliation with Selling Agent, Managing Agent, Sponsor's Attorneys, the Architect, Mechanical Engineer or the Budget Expert, the Construction Professionals, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Condominium Budget Expert, the Construction Professionals nor the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

No Pre-Sales

Neither Sponsor nor its principals have entered into contracts or agreements, written or oral, or accepted any Deposits or advances of funds for the purchase of Units as of the Filing Date of the Plan.

Secretary of State

The Secretary of State of the State of New York has been designated as agent for service of process for Sponsor.

Assurance of Discontinuance

As of May 29, 2015, an assurance of discontinuance under AOD No. 15-14 ("AOD") was entered entitled "In the Matter of the Investigation by Eric T. Schneiderman, Attorney General of the State of New York of 101 West 78th, LLC, New Castle Realty Services, LLC ("Newcastle") and Margaret Streicker Porres ("Porres")" in connection with the offering of real estate securities in New York State. Entities which are affiliated with principals of Sponsor acquired a partial interest in Sponsor on August 28, 2013 and acquired the remaining interest in Sponsor on June 11, 2015. Accordingly, neither Newcastle nor Porres are no longer making or taking part in this offering. A copy of the AOD is available for inspection and copying at the Department of Law, 120 Broadway, 23rd Floor, New York, New York 10271.

SPONSOR'S PROFIT

Sponsor acquired the Property as of December 28, 2012. Entities which are affiliated with principals of Sponsor acquired a partial interest in Sponsor on August 28, 2013 and acquired the remaining interest in Sponsor on June 11, 2015. The figures contained in this Section are based upon information made available to the Department of Law in March, 2015. The allocable purchase price (approximately $50,600,000) together with the estimated expenses of Sponsor in connection with this offering include without limitation, costs associated with the acquisition and ownership of the Property, including financing costs (aggregating approximately $28,018,863); attorneys' and engineers' fees, printing, governmental filing fees and transfer taxes, staff, sales commissions, and promotional costs in connection with the sale of Residential Units, capital expenditures, transfer taxes and the funding of the Reserve Fund (aggregating approximately $52,657,132), are estimated to aggregate approximately $131,275,995 (total expenses). Assuming the foregoing (which is subject to change), Sponsor may be expected to realize a profit of approximately $2,535,005 after deducting acquisition costs, financing costs and income taxes and the estimated expenses of Sponsor in connection with this offering, assuming that all of the occupied Residential Units are sold to Tenant-Purchasers at the Schedule A "insider" price and that all unoccupied Residential Units are sold to third party Purchasers at the Schedule A Non-Tenant Purchaser "outsider" price.

Sponsor expects to sell many Residential Units at full market value (to other than Tenant-Purchasers) from time to time as they become vacant and to generate substantial profits therefrom. The exact profit to be realized by Sponsor cannot now be determined and may increase or decrease substantially depending upon variable factors such as the uncertainty of future market conditions including the availability and cost of money, the length of time required to sell the Residential Units, losses or expenses arising from obligations assumed or waived by Sponsor under the Plan and other contingencies.

REPORTS TO UNIT OWNERS

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

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

2. At least 30 days' prior notice of the annual Unit Owners' meeting.

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with the regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the Register's Office in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Copies are contained in Part II of the Plan of the forms of Declaration, By-Laws, Purchase Agreement, Unit Deed, Power of Attorney and other documents (which forms may be revised prior to their recordation or the First Closing, as applicable). Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to in the Plan, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Residential Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and Purchasers. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided in the Plan, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return all Deposits, together with any interest earned thereon as well as any Unit Upgrade Funds to Purchasers who rescind, except that Sponsor shall retain all Deposits of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Residential Units because of such person's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

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

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

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor has obtained a report on the condition of the Property as of a date approximately contemporary with the Filing Date of the Plan. Sponsor is not an architect or engineer, but hereby adopts such report and, believes and hereby represents that the "Description of Property and Building Condition" with additional information by Sponsor, if any, as indicated, set forth in Part II of the Plan, represent accurately the present Building condition. The firm preparing the "Description of Property and Building Condition" has no financial interest in the Property, Sponsor, the Condominium, Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered.

Set forth in Part II of the Plan is a copy of the most recent Local Law 11 Report for the Property, copies of municipal violation searches, a report concerning asbestos containing material ("ACM") in the Property ("Asbestos Report"). Sponsor's obligations with respect to ACM are set forth in the Plan.

Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Building except as hereinafter set forth in the "Description of Property and Building Condition" and the municipal violation search set forth in Part II of the Plan. The Buildings Department issued a Permanent Certificate of Occupancy No. 116999 dated May 13, 1999 for the Building.

The Residential Units and their appurtenant Common Elements are being sold "as is" to Tenant-Purchaser in the condition in which they exist on the Filing Date of the Plan, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing and further subject to Sponsor's obligation to make repairs, improvements or decorations as may be otherwise set forth in the Plan.

Except as otherwise expressly provided in the Plan, Sponsor's obligation to make repairs in any Residential Unit shall cease upon the Closing of Title to such Residential Unit. Sponsor will, however, maintain and operate the Building until the First Closing in substantially the same manner and condition as on the Filing Date of the Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, acts of terrorism, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions, inability to gain access after reasonable notice or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, subject to Sponsor's ability to gain access for such repairs, after reasonable notice) any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. In accordance with the terms of the rider annexed to the Purchase Agreement, Purchasers have the right to inspect their Residential Units for the presence of lead-based paint. Lead paint has been detected in various locations throughout the building. Sponsor shall implement the lead paint O&M program, contained in Part II of the Plan, to remediate affected locations in accordance with applicable Law. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense.

PART II

CONDOMINIUM OFFERING PLAN

101 WEST 78 CONDOMINIUM
101 WEST 78TH STREET
NEW YORK, NEW YORK 10024

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

DESCRIPTION OF THE PROPERTY AND SPECIFICATIONS
101 West 78th Street New York, New York 10024
As per Part 23.7 of Title 13 NYCRR

A. Location and Use of the Property:

1. Address: 101 West 78th Street
New York, New York 10024

2. Block/Lot Number: Residential: Block 1150, Lot 1302
Non-Residential: Block 1150, Lot 1301

3. Zoning: Zoning District C1-8A (R9A Residential District Equiv.)
Special Zoning District EC-2 (Special Enhanced Non-Residential District 2)
Map 8C
The property and proposed use will comply with all zoning and use requirements at First Closing.

4. Permissible Uses: Use Groups 1-6 as per New York City Zoning Resolution, which permits residential and non-residential uses. Non-residential is permitted at certain areas of the 1st and 2nd Floors as a pre-existing non-conforming use. This use is consistent with the historic use of the property.

B. Status of Construction:

1. Year built: 1885

2. Class of Construction: Class 1B - 3 hour protected (1968 Code Designation) conforming to all applicable regulations of the Building Code of the City of New York (Building Code).

3. Certificate of Occupancy:

The current Certificate of Occupancy for the Building, number 116999 for primarily residential units was issued on May 13, 1999.

A new Certificate of Occupancy will be issued reflecting the planned alterations.

The expected date of completion of construction is the fourth quarter of 2016.

4. Description of Work: The existing exterior façade of the building is to remain. Windows will be replaced as described herein.

The alteration work to be performed by the sponsor are as follows ("Proposed Alterations"):

- The existing boiler will be replaced with a new gas fired boiler.
- Interior partitions, plumbing fixtures and electrical wiring will be replaced within Renovated Units identified in section W.
- Certain Vacant Units will be combined. All Vacant Units identified on section W will be provided with new lighting, kitchens, bathrooms, doors, sub-flooring, finished floors and accessories (see section W, unit information).
- A new gas system will be installed for cooking gas and dryers for Vacant Units identified in section W and a fire place in the Penthouse.
- A new electrical service from the Consolidated Edison Company of New York (Con Ed) will be installed. Vertical risers for mechanical, plumbing and electrical systems will be brought up to Building Code requirements.
- Residential public corridors will receive new carpeting and wall coverings. New ceilings will be installed in the public corridors and will be painted. New lighting fixtures will be installed throughout the public corridors.
- A new elevator will be installed, Reference section H 15 for a description of the new elevator.
- New elevator cabs will be provided in all elevators (see Section H 15, Elevators).
- A new stone lobby floor will be installed. The lobby walls and ceiling will be altered. New lighting fixtures will be installed in the lobby.
- Alterations to the 1st Floor level including proposed two for-sale storage rooms, building managers office, mechanical/ electrical/ plumbing rooms and back of house rooms. All such 1st Floor rooms will have new painted walls throughout.
- A new Penthouse (PH) will be added to the rooftop.

- Certain internal air and mechanical shafts running through the building will be infilled or extended. Mechanical ventilation will provided in rooms of all non-renovated Residential Units that are affected by the infill and as required per Building Code.
- Repair work to the exterior façade will be completed per recommendations for "repair and maintenance" in Subsection III of Local Law 11 (a copy of which is set forth in Part II of the Offering Plan).
- Exterior existing non-lot line windows will be replaced in both Vacant and Occupied Residential Units, to the extent access is permitted. Windows to be double pane wood windows to match profiles in kind.
- Existing and new lot-line windows in both Vacant and Occupied Residential Units along the western façade, and to the extent access is permitted,will be double pane wood windows clad with aluminum at the exterior side.
- Existing lot-line windows in both Vacant and Occupied Residential Units, and to the extent access is permitted, along the Northern façade will be replaced with metal champion 9000 series windows.

Certain windows facing internal air and mechanical shafts, and external courtyards will be closed as part of the installation of the new stretcher-compliant elevator P2 (see section H 15) and other work throughout the building. Mechanical ventilation will be provided in rooms of non-renovated Residential Units affected by the closure of windows and as required per Building Code.

A schedule of approved New York City Department of Building (DOB) and Landmark Presevation Commission (LPC) plans for the work described above is set forth in Section U of this Report.

Construction is to occur during DOB approved hours Mondays through Fridays, except holidays, as well as after hours Monday through Friday & weekends, upon DOB approval.

Construction workers to primarily use the 1st Floor (cellar) entrance or hoist to access the building. Workers may also be required to use the 2nd Floor

(lobby floor) entrance to access the building as needed. Workers will be required to carry proper identification at all times.

Debris will be removed from each floor in mini-containers through a hoist.

Security/worker access to floors: property to be treated as a home to people, and to be maintained and protected as such. Workers in accordance with OSHA standards are permitted to take the elevator to travel to worksite floor if the 5th Floor or above twice per day total - once per morning and once per afternoon. OSHA standards relating to site safety to be maintained at all times.

5. Reserve Fund: Sponsor intends to take a credit against the Reserve Fund based upon expenditures for the Proposed Alterations to the maximum extent permitted by law. See the section of the Plan entitled "Reserve Fund".

6. Materials Where materials, appliances equipment, fixtures and other construction and design details are specified in this Report, Sponsor has reserved the right to substitute, with items of substantially equal or better quality, in their place.

C. Site:

1. Size: The size of the lot is approximately 10,217 square feet.

2. Number of Buildings and Use:

There is one building on the property. It will be used primarily for residential purposes. There are Residential Units located on the 3rd through 9th (PH) Floors. There is one Non-Residential Unit, currently divided into three separate spaces. 'Non-Residential Space A' (currently vacant) is located at the 1st and 2nd Floor, 'Non-Residential Space B' (currently vacant) is located primarily at 2nd Floor, 'Non-Residential Space C' (currently vacant) is located at the 1st Floor.

There is one residential entrance and one service entrance for the building and the Non-Residential Unit

located on West 78th Street. There are three entrances to the Non-Residential Unit located on Columbus Ave.

3. Streets:

The property is abutted by West 78th Street and Columbus Ave. These streets are paved with asphalt, owned and maintained by the City of New York (NYC) and are in fair condition.

The streets abutting the property are pitched to drain through catch basins. The catch basins are part of the NYC storm water drainage system. They are in usable condition.

4. Drives, Sidewalks and Ramps:

The existing sidewalks adjacent to the property are concrete running full width from the property line along each street and pitched for drainage to the curb. All curbs abutting the property are existing steel-faced concrete curbs. The sidewalks and curbs are in fair condition. Street lighting is provided primarily by existing NYC light poles. The Condominium will be responsible for maintaining the sidewalk(s) in accordance with the requirements of the Department of Transportation (DOT).

5. Electricity:

Electricity is provided by Con Ed. The electricity to each Unit is direct metered from the 1st Floor (cellar) electrical service switchgear room. The electricity consumed by the Common Elements is separately metered.
Con Ed services are direct metered for each Residential Unit. Each Unit electrical service is currently sized for a 100A at 208-Volt, single phase, except the new penthouse which will be 100A at 208-Volt three-phase.

6. Gas:

Gas is provided by Con Ed. The cost of the gas consumed in the residential section is allocated to each Unit as noted in the First Year's Budget. Gas to the Non-Residential Unit is currently separately metered, and will remain as such. Gas to the existing and non-renovated Residential Units will be individually metered.

7. Plumbing and

Drainage: Water and Sewer service are provided by NYC Department of Environmental Protection (DEP). Water for the Residential Units is collectively metered.

8. Telephone/Internet: Telephone and internet service is provided by Verizon or other service provider to the Building. Each Unit Owner is required to arrange for and pay its associated telephone and data charges including activation costs.

9. Cable Television: Cable television service is provided by Time Warner or other service provider to the Building. Each Unit Owner is required to arrange for service and pay its associated cable television charges including activation costs.

10. Heating: Space heating for the Residential Units is provided by an existing low pressure steam boiler, located in the 1st Floor (cellar). Currently, the boiler's fuel source is No. 4 oil; a 6,000 gallon aboveground fuel oil storage tank is located on the 1st Floor (cellar). However, as part of the building's renovation project, the boiler will be replaced with a natural gas-fired boiler and the existing oil tank will be removed. Natural gas for space heating will also be provided by the Con Ed.

The Non-Residential Unit is heated by the base building steam system via cast-iron radiators and supplemental heating by VRF split systems.

D. Sub-Soil Conditions: The building is an existing building. No examination of the sub-soil conditions has been made. Sponsor is not aware of any adverse conditions, groundwater or settlement problems.

The cellar has no major cracks and/or deteriorated conditions at the present time. There is no apparent danger from flooding due to sub-coil conditions.

There is no evidence of dampness or mold in the cellar.

Pest control program is ongoing. Termite inspection to be performed prior to issuance of a Temporary Certificate of Occupancy (TCO).

E. Landscaping:

1. Planting Areas: None.

2. Trees: There is 1 existing tree on West 78th Street and 3 existing trees on Columbus Ave.

3. Fencing, Gates and Garden Walls: Existing sidewalk railing between sidewalk & areaway at cellar will be refurbished in keeping with existing railing, and coated with historic paint color. Railing will be coated in Pitt-Tech high gloss corrosion resistant primer (90-712) and enamel (90-374) formula. The length of the railing runs about 130 ft. total around the street-facing perimeter of the building, with a height of 36".

4. Display Pools and Fountains: None.

F. Building Size:

1. Total Height: Approximately 120'-0" from Grade to top of new elevator machine room roof.

2. Cellar: There is one cellar (1st Floor) with varying ceiling heights. The 1st Floor is in fair condition. All common walls and floors will be painted along with new partitions, which will be installed to create rooms described in B4.

   Metal work – not applicable.

3. Number of Floors: There are 8 stories above grade, Floor 1 (Lobby Level), 2 through 7, & PH. For marketing purposes, the floors mentioned throughout this document will be renumbered as such:

Marketing*	Construction/DOB
1st Floor	Cellar Floor
2nd Floor	Ground Floor

3rd Floor	Second Floor
4th Floor	Third Floor
5th Floor	Fourth Floor
6th Floor	Fifth Floor
7th Floor	Sixth Floor
8th Floor	Seventh Floor
9th Floor/PH	Eighth Floor/PH

*Floor and unit designations mentioned throughout this report will refer to marketing designations.

Current Unit	Future Unit (Marketing)	Future Unit (DOB)	
21	3A	2A	
22/23/24/25	3B	2B	
26/27	3C	2C	
31	4A	3A	
32/33/34/35	4B	3B	
36/37	4C	3C	
41/42	5A	4A	
43/44/45	5B	4B	
46/47	5C	4C	
51	6A	5A	
52	6B	5B	
53/54/55	6C	5C	
56	6D	5D	
57	6E	5E	
61	7A	6A	
62	7B	6B	
63	7C	6C	
64/65	7D	6D	
66	7E	6E	
67	7F	6F	
71	8A	7A	
72	8B	7B	
73	8C	7C	
74	8D	7D	
75	8E	7E	

76	8F	7F	
77	8G	7G	
N/A	Penthouse	PH	

4. Equipment Rooms: At 1st Floor & main roof above new 9th Floor & top of the bulkhead roof above the elevator machine room.

5. Parapet/Railing Assemblies: The parapet and/or railing assemblies will extend a minimum of 3'-6" above the roofs. Where existing assemblies are lower, new extensions will be added.

G. Occupancy:
(Location of Units and residential lobby)

1st Floor/Cellar: Non-Residential Unit, residential amenities, and mechanical spaces in support of the Residential Unit and Non-Residential Unit.

2nd Floor/
Lobby Level: Residential Lobby, Non-Residential Unit and residential amenities.

Floors 3-8:
Residential Units

Floor 9/PH:
1 Residential Unit, and upper portion of duplex 8D.

Ceiling Heights:

1st:	10'-0" (varies)
2nd:	13'-0" (varies)
3-8:	10'-10" (varies)
New PH/9th Floor:	10'-0" (varies)

H. Structural System:

1. The existing building is constructed with brick bearing walls and steel rolled beams. Underpinning will be installed at the foundation as required. The typical beams are 10.5" in depth and 4.5" wide. The

typical celling is constructed with approximately 1" plaster on flat terra cotta arches spanning between the steel beams. The finished floors have two layers of wood plank, supported by 2" by 4"wood sleepers, resting directly on the steel beams that will be removed and replaced with new sub-flooring and finish floor as required. The top of the steel is approximately 4" to 5" below the top of finished floor. The construction of the existing roof is brick arches supported by steel beams and bearing wall. There is 10"-15" of fill above the brick arch and roofing is directly above the fill. There is no existing insulation, but it will be provided in the new roof.
The new addition will be steel columns on existing bearing wall, supporting steel girders and beams. The new floor slab will be 3.25" light weight concrete on 2" floor metal deck. All exterior metals, including fasteners will be corrosion resistant. The exterior wall will consist of 16 gauge steel studs, batt insulation, and limestone.

The lateral system will be designed for both wind and seismic loading as stipulated by the Building Code.

2. Exterior Walls:

The existing exterior walls are solid brick construction and brick on terracotta or block back-up in some locations, generally with a plaster finish at the interior. The exterior walls are approximately 14½" thick. The lower four floors of the street facades have a limestone veneer over the brick. At various locations, terracotta is used as a decorative trim.

The existing building contains no exterior wall insulation seen by probes done on site of existing conditions. All existing exterior walls are to be treated with 3-1/2" batt insulation with vapor barrier.

1st Floor framing, where steel beams and metal deck show signs of rust and corrosion, will be further investigated and repaired as required.

Exterior façade of building will be repointed as required.

The building appears to be in good condition overall with no visible signs of structural distress, with the exception of the steel beams under the sidewalk vault at the east side of the building and under the front entrance steps at the south side of the building. The beams are severely corroded and delaminated at both locations. This damage is the result of infiltration of water and salt from the sidewalk. Structural beams are to be further investigated and repaired or replaced as required.

See the Local Law 11 Report set forth in Part II of the Plan for further details regarding the exterior walls and lintels.

Neither Sponsor nor the undersigned will be responsible for the means, methods, or procedures used in the original installation of this ornamentation, nor for the adequacy or condition of anchors or other supports that are not open to visual inspection.

The recommended repairs in the Local Law 11 Report will be performed by Sponsor.

3. Doors and Windows: All existing windows throughout are double-hung, of painted wood construction with single panes. All residential windows will be replaced in Vacant and, to the extent access is provided, Occupied Residential Units. Windows to be double pane, wood construction.

All existing non lot-line windows will be replaced in all Vacant and, to the extent access is provided, Occupied Residential Units. Residential Units with double pane wood windows to match profiles in kind. Existing and new lot-line windows in Residential Units along the western façade will be double pane wood windows clad with aluminum at the exterior side. Existing Residential Unit lot line windows along the Northern façade will be replaced with metal champion 9000 series windows.

All new replacement exterior profiles are to match existing. The replacement windows will have a painted finish in Pittsburgh Paints 520.6 Oswego Tea and all new windows will have a thermal break. The

new PH addition will have new steel-framed, double-paned windows (insulated glass). All windows will have 4" limit stops as required by DOB. The perimeter of all windows will be caulked to control water and air infiltration. All rooms have correct light and air provided, according to the DOB standards.

Structural performance: Withstand without excessive deflection, damage or impairment of function the wind load established by the requirements of the Building Code.

Certain windows in various Residential Units located from the 3rd through the 8th Floors on the West and 5th through the 9th Floors on the North facades of the building are so-called 'lot-line windows' and will be required to be closed up if the adjoining property is ever redeveloped with one or more buildings of different configurations than that now located on the same, subject to the easements referred to in the next paragraph below. These wood windows are required to be clad with aluminum on the exterior and a sprinkler head is to be provided at the interior. Those units are: 3C, 4C, 5A, 5C, 6A, 6E, 7A, 7F, 8A, 8G, and Penthouse. Windows, glazing and the finish of all windows have a minimum warranty of five years from installation and subject to the provisions of the next following paragraph.

Even though lot line windows are generally subject to closure (sealed and covered) as described in the preceding paragraph, there is an existing building to the north of the subject property. At the Penthouse the minimum setback from the lot line windows to the adjacent building is approximately eight (8) feet. We have also been advised by Sponsor that there are recorded covenants on record, between the subject property and the property bordering the subject property on its western side, whereby no building or structure may be erected on that property to the west that is more than 45 feet above street level or that may obstruct light to the bay windows on the upper floors of the western façade of the subject building. Exterior existing non-lot line windows will be replaced in all Residential Units with double pane wood windows to match profiles in kind. Existing and new

lot-line windows along the western façade will be double pane wood windows clad with aluminum at the exterior side. Existing lot line windows along the North façade will be replaced with metal champion 9000 series windows.

The façades of the building are subject to Local Law 11/98. The work from Local Law 11/98 set forth in Part II of the Plan will be corrected. Much of the work performed has been described in Local Law 11/98. Local Law 11/98 report is due in five year cycles. The next cycle will be between February 2016 – August 2017.
Sound insulation: Sound insulation between floors and walls will be treated to have an impact noise rating of zero.

In connection with the installation of a new elevator (see sections B 4 and H 15 of this report), the windows in the existing kitchens and adjacent bathrooms in the A line Residential Units (which are not lot-line windows) will be closed and sealed. In connection with the construction of the new penthouse unit, the window at the western side of the upper floor of Unit 8D (also not a lot-line window) will also be closed and sealed. That upper floor window is too small to qualify as a legal source of light and ventilation, and that room also contains sliding glass doors leading to a terrace, supplemented by another window, which satisfy the light and ventilation requirements for that upper level room. Mechanical ventilation will be installed for all of the kitchens and bathrooms affected by a window closure which will satisfy the ventilation requirements of applicable law for those rooms. Neither those kitchens and bathrooms nor the room constituting the upper level of Unit 8D will lose their status as legal rooms, the legal use and enjoyment of those rooms will not change, and the closure and sealing of those windows will not result in a reduction of the size or square footage.

Due to the intended location of the new elevator, the windows in the hallways, just southeast of the stairway, will be closed because that is where the entrance doors to the new elevator will be located. This work has been approved by DOB.

4. Landmark status: The building is located in the Upper West Side/Central Park West Historic District and is governed by the provisions of Title 25, Chapter 3, Sections 25-301 *et seq.*, formerly known as Chapter 8-A, of the Administrative Code of the City of New York entitled "Landmarks Preservation and Historic Districts" pursuant to Notice of Designation dated April 24, 1990, recorded May 29, 1990 in Reel 1696 page 1872. This designation imposes special restrictions upon the construction, alteration, demolition and reconstruction of the building. In the event any such construction, alteration, demolition or reconstruction of the building would affect the exterior of the building, the Condominium will have to apply to the LPC for permission to perform such work. LPC, before approving the work, could impose additional requirements or conditions which could increase the cost and time required to complete the work. In addition, where proposed work in the Building requires a building permit, notwithstanding the fact that such work does not affect the protected exterior of the Building, the LPC requires that a "certificate of no effect on protected architectural features" be issued.

5. Parapets and Coping: Roof parapet construction is a continuation of the exterior brick wall, and masonry & brick at the new bulkhead. Copings are existing stone or aluminum coping. Railings are also existing at various locations in lieu of parapets. In some locations the parapet are in visibly poor condition and will be repaired or replaced as needed with new Building Code compliant balustrade and glass railing on the 78th Street and Columbus Avenue sides.

   Where the existing parapet and/or railing do not extend to a minimum height of 3'-6" above the roof, protective handrail will be installed.

6. Chimneys and Caps: The building has two existing restaurant kitchen flues serving the Non-Residential Unit that terminates at the roof. One of the flues is exposed and runs up the side of the building. The other flue is located within an internal mechanical shaft.

There is one existing boiler flue.

There are two existing exhaust fans located in the existing 2nd Floor courtyard that serve the Non-Residential Unit which will be relocated to the upper PH roof.

Boiler Flue: Classification: low temperature, Manufacturer: Security Chimneys International Model CIX, Material and Gauge: Inner wall – 0.035 inch type 304SS, Outer wall – (5"-24" diameter) 0.018 inch galvalume (Alu-Zinc) steel, all portions exposed to the outdoors 304SS outer wall, Clean-out location: Bottom clean-out, Termination point of exhaust: Roof, 3' above highest wall, double wall construction. Back draft protection and bird grill protection will be provided.

The new Penthouse (PH) will have 1 fireplace in the great room that will be a gas-burning fireplace. The Penthouse fireplace is to be a NYC approved firebox clad with stone.

7. Balconies and Terraces:

The 3rd Floor terrace will have a deck finish of new concrete, insulation and concrete pavers, existing masonry walls, and painted metal terrace dividers. Access to the terrace will be through a new swing door constructed of insulated tempered glass in painted aluminum frames. All exterior metals, including fasteners, will be corrosion resistant.

The building will be drained by 11 roof drains. Cast iron storm and overflow drains will be located on levels designated roof terrace, 9th Floor, 7th Floor and 3rd Floor.

Terrace is at Penthouse, 3rd Floor Residential Unit 3C, and 9th Floor Residential Unit 8D.

The purpose of the two terrace gates at 9th Floor between the PH and upper duplex Unit 8D is for Fire Department of New York (FDNY) access.

There are no balconies.

8. Exterior Entrances: The residential entrance on West 78th Street will be a metal and glass swing door. The residential entry door hardware will be Dorma or equivalent in steel painted black. The existing entrances to the Non-Residential Unit along Columbus Avenue are to remain. The portico at the 78th Street residential entrance is being refurbished in masonry, stucco and fiberglass reinforced gypsum. Iron railings will be restored and treated with Pittsburgh paints Pitt-tech primer and gloss in the historic color 507-7, Bewitched. All of which is approved by LPC Docket #157658:

The main residential exterior stair contains existing steel. The steel and concrete substructure is to be repaired and replaced as required. The treads and risers are to be finished in a cementitious material remediating existing non-compliant tread and riser dimensions.

The residential main entry will go from manual key locks to electronic key fob access.

The ADA entrance is located to the left of the main entrance on 1st Floor and will be equipped with a Garaventa Lift model #X2 PUS lift for access.

The entrances are free of tripping hazard and new railings will be made of corrosion resistant metal and fasteners. Cast iron storm drains will be located in the areaway under the main entrance of the building.

Mailboxes will be Postal Product Manufacturer, metal boxes, located in the mailroom directly off the main lobby.

Lighting will be provided throughout Residential Units and common areas to meet Building Code compliance. Emergency lighting will be provided in common areas to meet Building Code compliance.

Retaining walls are to remain. Where retaining walls are disturbed for utility point of entries, they will be patched and repaired in kind.

9. Service Doors: All service doors are existing self-closing, hollow metal doors with metal frames in fair condition. Any new doors will be hollow metal doors. Adequate lighting is provided by existing area lights.

Railings to be coated with Pittsburgh paints Pitt-tech primer and gloss in the historic color 507-7, Bewitched to prevent corrosion.

Cast iron storm drains will be located in the areaway under the main entrance of the building.b3

10. Roof and Roof Structures: All existing roof areas are covered with an existing modified bitumen roof without roof insulation which are in poor condition as more particularly described in Local Law 11 report. There is 10"-15" of fill above the brick arch and roofing is directly above the fill. There is no existing insulation. The roof above the 2nd and 8th Floors will be replaced with an Insulated Roof Membrane Assembly (IRMA) roof, comprising of waterproof membrane below extruded polystyrene board insulation, min. 2" thick, below protection fabric and loose-applied precast concrete paving units/gravel. The roof over internal air or mechanical shafts, to the extent they are being infilled, will be waterproof membrane below extruded polystyrene board insulation, min. 2" thick, below protection fabric and loose-applied precast concrete paving units/gravel.

Pavers will be by Hanover- Model: Prest in Tudor finish and pavers will be professionally installed so as not to impede drainage nor void the manufacturer's warranty. A 20 Year Watertight Warranty covering every component in the system will be provided by American Hydrotech System or approved equal.

The existing metal flashing is deteriorating and will be replaced. A base flashing, fluid-applied waterproofing membrane; counter-flashing, stainless steel (28 Ga.); and drain-flashing; neoprene will be installed.

The new Penthouse (9th Floor) roof will be a new Insulated Roof Membrane Assembly (IRMA) roof, comprising of waterproof membrane below extruded

polystyrene board insulation below protection fabric and loose-applied precast concrete paving units/gravel. A 20 Year Watertight Warranty covering every component in the system will be provided by American Hydrotech System or approved equal.

Existing cast iron drains discharge through internal and/or external leaders into the building storm systems. These will be replaced with new leaders.

The new roof's over 7th and 8th and 9th Floors will have cast iron roof drains tied into either a new leader or directly into the sanitary storm drain system.

The new bulkhead will be constructed of masonry block & brick. It will be used for mechanical equipment. The mechanical units on the bulkhead roof and 9th Floor roof will be either mounted on vibration isolation roof rails or mounted on vibration isolation roof curb to prevent vibration and noise from reverberating to the units below. There will be no steel dunnage for the mechanical units.

The north side of the 9th Floor roof will be used for mechanical equipment.

Four new skylights at the 9th Floor roof level will be new metal and glass skylights. The skylight will be a structural silicone aluminum framing system by Fisher Skylights Inc. or equal.

The new exterior gooseneck ladder from the 9th Floor roof to the Bulkhead roof will be primed and painted steel. Railings at the penthouse terrace on the north side will be primed and painted steel with corrosion resistant fasteners.

The new bulkhead roof will be a new Insulated Roof Assembly, comprised of waterproof membrane below extruded polystyrene board insulation below protection fabric and loose-applied precast concrete paving units/gravel. A 20 year Watertight Warranty covering every component in the system will be provided by American Hydrotech System or approved equal. The roof will have a ballast finish and

mechanical equipment with a skylight for stair ventilation.

11. Fire Escapes: None.

12. Yards and Courts: There is one existing court at the 2nd Floor level. This existing courtyard is at the rear of the building along the west side. There will be a new roof constructed over the existing court, creating a terrace for Residential Unit 3C and a portion for mechanical units. The new roof over the 2nd Floor (new terrace on the 3rd Floor) will be accessible by Residential Unit 3C and will also contain mechanical equipment to support the Non-Residential Unit.

The new terrace on the 3rd Floor will be separated from the mechanical area by a 6'-0" high sound barrier, with a passage below the screen for water. The entire court on the 3rd Floor will be drained by 3" roof drain and 3" overflow drain as per Building Code. Adequate lighting and fixtures to be provided for mechanical area and private terrace as per code.

The 9th Floor terrace and roof over 9th rooftop terrace will have private terraces. Duplex 8D will have private access to a portion of the terrace at the 9th Floor level. The terraces will be drained by 3" roof drains and 3" overflow drains as per Building Code. At the new 9th Floor (PH), an 8'-0" side yard will be provided at the north and west lot lines as required by DOB. A portion of the 9th Floor rooftop is for mechanical units. In the residential area, there will be a Building Code compliant glass railing. In the mechanical area, there will be a Building Code compliant steel picket rail primed and painted. Pavers are to be provided at the residential area and river rock ballast at mechanical area. The 9th Floor terrace will be provided with adequate lighting and fixtures as per Building Code.

13. Interior Stairs: Stair A is an existing unenclosed stair from 2nd Floor to 8th Floor and is in fair condition. The stair is constructed of metal pan with steel stringers & risers with stone treads and platforms. It will be extended to the new PH roof. No guardrails exist in Stair A. The extension of Stair A to the 1st Floor from the 2nd Floor

will consist of a metal pan with steel stringers and risers. Stair B is currently a non-combustible metal stair enclosed by existing terracotta and brick masonry along 3 walls and gypsum wall along the remaining wall with winders and will be removed and replaced with a metal pan stair with concrete treads and metal stringers. Existing Stair B runs from the 1st Floor to the 8th Floor; the new Stair B will be extended to the bulkhead at PH roof. The guardrails consist of non-combustible steel. There are also existing stairs running from the 2nd Floor to the 1st Floor within the Non-Residential Unit spaces.

14. Interior Doors and Frames:

Currently the Residential Unit entrance doors are wood. The Residential Unit entrance doors and frame will be replaced with MDF solid core-white oak 90 minute rated Fire-Proof, Self-Closing door – Model # TS4100 to meet fire code requirements. Renovated Residential Unit interior swing doors will be solid core recessed panel painted wood doors in wood frames and other interior doors will be Trustile TS Series 2020, with no fire rating for interiors as per Building Code.

All public corridor doors and frames will be new painted recessed-panel hollow metal, 1 3/4" thick with stone saddles. All public corridor doors (Residential Unit entry) will be 90 minute fire proof self closing with a "B" Label.

Cellar and service area doors and frames including roof will be painted flush hollow metal, 1 3/4" thick with saddles, as appropriate providing 90 minute fire rating.

15. Elevators:

There is one existing passenger elevator (P1) 1P9704. P1 currently stops at Floors 2 through 8. It will stop at Floors 2 through 9, thereby increasing travel by one floor from 8 to 9. P1 does not stop at the 1st Floor.

A new stretcher-compliant elevator is to be installed (P2). P2 will service Floors 1 through 9. P1 will be completely replaced with a Counterweight Roped Holeless hydraulic elevator. P2 will utilize a Torin Gearless machine. P1 will utilize a Leistritz hydraulic

pump unit. Both elevators will have a new microprocessor based controllers (MCE or GAL). The top speed of these cars will be 200 FPM. P2 entrance will have a clear opening of 3'-0" wide automatic sliding doors and capacity of 2,500 pounds. P1 entrance will have a clear opening of 2'-6" wide automatic sliding doors and capacity of 2,000 pounds. P2 approximate cab size is 4'-0" x 7'-1". P1 approximate cab size is 3'-8" x 5'-8". Both cabs will be new.

16. Service Elevators: None.

17. Elevator Cabs: The passenger elevators (P1, P2) will be fitted with new cabs. There will be addressable analog smoke detectors for the top of the elevator shaft, elevator lobbies, and for elevator equipment rooms (as required by Building Code Chapter 9).

The elevator floors will be tiled, extruded milled and aluminum. Saddles will be provided. The walls will be wood, mirror and metal. All controls will be brushed stainless steel.

Elevator cab to be provided by Cabtech.

There will be two (2) new 110 volt alarm bells. A lobby bell will be located inside shaft at the entry level and the other bell will be mounted underneath the platform. The bell located inside the shaft at the entry level will be located at the rear of the hoist way wall and approximately eight feet (8) from the finished pit floor and will not be obstructed by the counterweight frame. Both bells will be wired in such a manner as to cause them to ring continuously when the elevator is stopped out of the landing zone. Bells will not be less than six inches (6") in diameter. All required bells will ring when either the alarm button inside the elevator is operated or when the emergency stop switch is activated. The activation of the alarm will annunciate in the emergency communication system as further specified.

Lighting to be provided by recessed LED lighting overhead. An emergency light is to be provided within the car operating panel. Platform cab construction is to be provided by the elevator contractor.

18. Elevator Machine Room: The existing elevator machine room is currently located on the 1st Floor. It will be relocated to the 9th Floor roof. It will stand on top of the run-by level which is on top of the 9th roo`f level. The motor room will be adjacent to the elevator shaft way. The elevator machine room in the bulkhead will be air-conditioned by a Friedrich model #WE16C33, with a 15,600 BTU/HR capacity for cooling.

I. Auxiliary Features:

Refuse Disposal: A new refuse chute will be installed for refuse disposal. Refuse will be collected at the compactor room located in the 1st Floor.
Compactor: "Royal-Krusher" by Royal-Pak Systems or approved equal.

Space will be allocated within each refuse closet for a recycling bin.

1. Storage and Storage Lockers: There will be Storage Lockers located at the 2nd Floor accessible from the public lobby and 1st Floor. There will be approximately 18 storage lockers which will be available for license by Residential Units Owners with sizes ranging from approximately 25-60 SF. The Storage Lockers will be wire mesh.

2. Bicycle Storage: The bicycle storage room will be located at the 1st Floor, accessible from the public corridor. The Bicycle storage room will have racks to store approximately 13 bicycles or 9 square feet per space. This facility will be for residential occupants only. The bicycle storage room will be part of the Residential Common Elements.

3. Laundry Room: None. Each renovated Residential Unit will be provided with washer/dryers and will be exhausted to the exterior by dryer exhaust riser ducts provided.

4. Fitness Facility: A fitness facility will be provided at the 2nd Floor as an amenity for the Residential Unit Owners. Ventilation to

the fitness facility will be provided by a dedicated VRF heat pump system. Adequate lighting will be provided as per Building Code. Sprinklers will be provided for fire safety and 1" rubber will be provided throughout gym floor for safety padding. The equipment that will be provided are (1) treadmill "treadmill now" model: JOG700, (1) elliptical "Vario" model: VARIO700, Recline Recumbent Bicycle "Recline" model: RECLINE700, (1) Kinesis Station (core), (1) Kensis station (press), (1) Dumbbell Rack, (1) set of kettle bells, and (1) adjustable bench, or similar machines.

J. Plumbing and Drainage:

1. Domestic Water System:

Water Supply:
One (1) 3" incoming domestic water service is located in the 1st Floor from Columbus Avenue. A single check valve protects the incoming service. This service is dedicated to the low-zone and serves the 1st to the 5th Floor.
The existing incoming domestic water service will be upgraded to one (1) 4" water service supplying the entire building.
One (1) 1,500 gallon steel tank is currently located on the roof. There is a booster pump located next to the roof tank with a 20-gallon hydro pneumatic tank. This system is dedicated to the high- zone, which serves the Penthouse Residential Unit on the roof down to the 5th Floor.
The existing roof tank and booster pump system will be replaced by a constant pressure system with pumps located on the 1st Floor.
The steel roof tank full capacity also serves as a fire reserve to the fire hose racks in the building. For more information, refer to Fire Protection Section.
The steel roof tank will be replaced by an automatic fire pump with a new dedicated incoming fire service from 78th Street. For more information, refer to Fire Protection Section.
A single 5HP tank fill pump is located in the boiler room in the 1st Floor and fills the steel roof tank. The tank fill pump is no longer required and will be demolished.

Three (3) 1" water sub meters will be installed in the 1st Floor for the Non-Residential Unit. Not all of the domestic water to the Non-Residential Unit is metered.
Existing Non-Residential Unit tenant sub-meters are to remain and all water to the Non-Residential Unit will be metered.

Piping material: Domestic Cold Water, Hot Water, & Hot Water Circulation piping will be hard drawn, copper tubing with wrought bronze fittings.

Backflow preventer and main shut-off valve for domestic cold water will be located in the cellar adjacent to the Columbus Avenue foundation wall.

Hot and Cold water piping will be insulated throughout.

All Domestic Cold Water piping insulation thickness will be 1/2" and all Domestic Hot Water piping insulation thickness will be 1".

The existing lead, galvanized or nonmetallic piping in the water distribution piping system will not be a concern as all domestic water distribution piping, beginning at the source, will be new piping.

The piping joints are original to the building and will be replaced with new.

Hot water is generated by the existing building boiler. (Refer to section (L))

Domestic Hot Water:
The hot water system is served from the base building oil-fired heating boiler located in the 1st Floor Boiler Room without any storage tanks. Street pressure through the boiler hot water coil provides hot water to all of the low-zone Residential Units. The high-zone hot water has an express cold water line from the high-zone down to the boiler hot water coil, which pushes the hot water back up to the high zone.

Existing fuel oil-fired boiler will be replaced with a natural gas boiler and provide hot water for all

Residential Units. Water pressure will be provided via the constant pressure booster system.
Cold water stub-ins are to be provided for one of the Non-Residential Unit spaces. The other space in the Non-Residential Unit has an electric water heater and a gas-fired water heater.
Existing domestic hot water generation for the Residential Units to be replaced with duplex steam fired water heater.
There is one (1) hot water recirculation pump within the low-zone system.

Existing hot water recirculation pump will be replaced.

Street pressure was recorded at 45 psi by the Citywide Hydraulic Flow Test Unit and will be boosted to provide a minimum of 35 psi and a maximum of 85 psi at any one fixture.

Booster pump will be manufactured by Canariis Corporation, Model TE-90-65-3VS-NSFC. The booster system will be warranted against defects in materials or workmanship under normal use and service for a period of one year after date of original operation but not more than 18 months from date of shipment from the company's factory when installed and used in accordance with good standard practice.

2. Fire Protection System:

The building is not protected with sprinklers. A new building sprinkler system will be provided to all renovated Residential Units, new Penthouse, amenity spaces, common area hallways and back of the house areas. The new trash chute sprinkler system will be provided from 1st Floor up to Penthouse level. Sprinkler system will be supplied by the new combined Fire Standpipe riser and floor control valve assembly on each floor, consisting of shut-off valve with tamper switch, water flow switch and drain connection. The sprinkler system will drain into a 2.5-inch drain riser adjacent to the Fire Standpipe riser in the staircase.
Currently there are no fire services from the street. The standpipe is gravity supplied by a 1,500-gallon

domestic water tank located on the roof. This tank is filled by tank fill pump in the 1st Floor.
The steel roof tank will be replaced by a new 750 GPM fire pump assembly with a new 6" dedicated fire service from 78th Street domestic water main.

There are two (2) concealed 3" standpipes from the roof tank, one (1) in the intermediate level of the main staircase, and one (1) in the middle of the floor plan down to the 1st Floor level. There are hose racks located on alternating floors
The existing fire standpipe risers and fire hose rack outlets will be removed. New 6" fire standpipe risers located in the stairs will supply fire hose valve outlets for each required staircase. Three way roof manifold will be provided at the roof.
There is currently one (1) fire standpipe siamese connection along Columbus Avenue. There will be an additional fire standpipe siamese connection installed along 78th Street.
The existing Fire Department connection and the undersized piping will be removed. The new Fire Department connection will be provided at Columbus Avenue for an upgraded system.

3. Water Storage Tank: Not Applicable.

4. Sanitary Sewage and Storm System:

The sanitary and storm systems are a conventional gravity flow system and are designed to accommodate the project. The system is comprised of combined sanitary, storm and vent stacks.
New sanitary risers and storm riser will be provided for the building.
There is believed to be one (1) 6" combined house trap in the 1st Floor out to Columbus Avenue. This trap is below grade, buried and has not been accessible for years. There is no building confirmation of its activity and what it serves.
Existing 6" house trap will be investigated to determine if still active.
There is one (1) 8" combined house trap in the 1st Floor to 78th Street located in the outdoor alley way at the base of the stairs. It is currently covered with a

steel plate and several sheets of plywood to allow for foot traffic. .
Existing 8" house trap to remain.

There is no storm water retention on the site.

A new storm water system will be provided to handle adequate drainage as per Building Code. There are no sump or ejector pumps for building storm water/sanitary system. There are elevator and condensate sump pumps located in the elevator pit and boiler room to evacuate water from drainage areas located below the building sewer.

5. Permits Required: Plumbing, water and gas.
Sprinkler.
Standpipe.

K. Heating, Ventilation & Air Conditioning:

Heating: Method: The building has one (1) existing "Scotch Marine" (steel, fire-tube) low pressure steam boiler, located in the 1st Floor that serves the building. A new boiler will be installed to replace this boiler. Distribution: Low pressure steam supply risers originate in the 1st Floor and extend up to serve the 2nd Floor through the 9th Floor. The existing piping distribution is a combination of 1-pipe (low pressure steam supply only) and 2-pipe (low pressure steam supply and condensate return) systems.

The mechanical systems for the project will be selected to serve a facility within the American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Climate Zone 4A, and shall be furnished with unit level controls. The design cooling day is set for 87°F Dry Bulb (DB)/71°F Wet Bulb (WB) ambient air conditions, while the design heating day is based on 13°F DB ambient air conditions. Indoor air conditions for the dwelling unit spaces shall be maintained at 75°F DB during cooling season and 70°F DB during heating season.

Heating: The boiler manufacturer's standard warranty is for a period of twelve (12) months from the date the product is first placed in use or eighteen (18) months from the date of shipment or field hydrostatic test, whichever is less. There were no records of the installer's warranty.

Heating, Ventilation & Air Conditioning: The warranty for the renovated Residential Units' VRF system applies to parts only and is limited in duration to one (1) year from the earlier to occur of (a) date of original installation, whether or not actual use begins on that date, or (b) eighteen (18) months from the date of shipment.

Residential Heating:
Most of the living areas within the Residential Units are currently heated by cast-iron steam (1-pipe or 2-pipe) radiators. Bathrooms are heated by steam supply risers that pass through the Residential Units. The non-renovated Residential Units not being impacted by the building's renovation project will continue to be heated in this fashion.

In the Residential Units being renovated, space heating will be provided via a combination of two (2) sources: Daikin variable refrigerant flow (VRF) heat pump systems, perimeter radiation, and electric floor-heating mats. The Daikin VRF heat pump systems will be the primary source of space heating for the renovated Residential Units. All master bathrooms in renovated Residential Units will be provided with electric floor heating mats equipped with manufacturer's temperature controls, as an amenity feature.

Space heating for the non-renovated Residential Units will be provided by a new low pressure steam boiler, located at the 1st Floor. The new steam boiler will be a Model 80 VMP (Vertical Multiport) as manufactured by Fulton or approved equal. It will have an 80 boiler horsepower capacity with 3,188 MBH input and 2,678 MBH gross output. The boiler will be provided with new heat timer controls. The non-renovated Residential Units are not being impacted by the boiler replacement, their steam

radiators will remain in place and will continue to be fed by steam from the boiler. The renovated Resdeintial Units will be provided with a Daikin (or approved equal) air-cooled VRF heat pump system, with heating capacities ranging from 3 tons to 10 tons, 36MBH to 120MBH.

Heating of Common Areas:
The common areas within the residential portion of the building (e.g. fitness center, residential lobby, tenant storage) will be heated by VRF heat pump systems and Rittling steel radiators compatible with steam. Space heating for the common corridors exclusive of the entry level will be provided via a 100% outside air rooftop unit (RTU).

Heating of Non-Residential Unit: The Non-Residential Unit is heated by the base building steam system via cast-iron radiators and suplemented by VRF split system units.

Currently, the existing boiler's fuel source is No. 4 oil; a 6,000 gallon aboveground fuel oil storage tank is located on the 1st Floor. However, as part of the building's renovation project, the new boiler will be a natural gas-fired boiler producing low pressure steam and the existing oil tank will be removed. Natural gas for space heating will also be provided by the Consolidated Edison Company of New York.

L. Gas Supply:

There is a 3" low-pressure gas service from 78th Street located in the 1st Floor Level. There are forty five (45) gas meters for the gas serving the ranges in each Residential Unit and the pilot light on the heating boiler. These meters are distributed throughout the 1st Floor corridor and some are within the Non-Residential Unit back of house spaces.
The existing 3" gas service from 78th street will be upgraded to provide adequate gas supply to natural gas boiler and new domestic equipment.
There are another three (3) gas meters in the 1st Floor: 3" gas meter for Non-Residential Unit Non-Residential Space B located within the shared building

corridor; 2" gas meter for Non-Residential Unit Non-Residential Space A located in the Non-Residential Unit C kitchen; 1½" closed gas meter for Non-Residential Unit Non-Residential Space C located in the shared building corridor.

Existing Non-Residential Unit and non-renovated Residential Unit gas meters to remain.

Gas piping will be standard weight (schedule 40) black steel pipe. Gas control, vent and relief piping will also be standard weight, schedule 40 black steel pipe. Steel pipe will be seamless or welded made in accordance with the current edition of the ASTM A53 specification.

M. Air Conditioning:

The mechanical systems for the project will be selected to serve a facility within the American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Climate Zone 4A, and shall be furnished with unit level controls. The design cooling day is set for 87°F Dry Bulb (DB)/71°F Wet Bulb (WB) ambient air conditions, while the design heating day is based on 13°F DB ambient air conditions. Indoor air conditions for the dwelling unit spaces shall be maintained at 75°F DB during cooling season and 70°F DB during heating season

Residential Air Conditioning:
Each of the Residential Units being renovated will be provided with a Daikin air-cooled VRF heat pump system, with cooling capacities ranging from 3 tons to 10 tons. Each VRF heat pump system consists of one (1) outdoor air-cooled condensing unit and multiple indoor, ceiling-recessed ducted evaporator units. Refrigerant liquid and suction risers will extend from the outdoor air-cooled condensing units, located on either the Penthouse Roof or the elevator machine room bulkhead roof, to the indoor evaporator units. A network of refrigerant branch piping will connect the indoor evaporator units to the refrigerant risers. A dedicated outdoor air-cooled VRF condensing unit will be provided and refrigerant risers will also be installed for the non-renovated Residential Units, in the event that these Units will be renovated in the future. Each of the renovated Residential Units will be provided

with a Daikin (or approved equal) air-cooled VRF heat pump system, with cooling capacities ranging from 3 tons to 10 tons, 36MBH to 120MBH. The outdoor condensers are the Daikin RXYMQ series and the indoor evaporators are the Daikin FXMQ series.
Each VRF heat pump system consists of one (1) outdoor air-cooled condensing unit and multiple indoor, ceiling-recessed ducted evaporator units. Refrigerant liquid and suction risers will extend from the outdoor air-cooled condensing units, located on either the Penthouse Roof or the Elevator Machine Room Bulkhead Roof, to the indoor evaporator units. A network of refrigerant branch piping will connect the indoor evaporator units to the refrigerant risers. Refrigerant risers will be installed for the non-renovated Residential Units, in the event that these Residential Units will be renovated in the future. Public Space Air Conditioning:
The common areas within the residential portion of the building (e.g. fitness center, residential lobby, tenant storage) will be air conditioned by a dedicated VRF heat pump system. Air conditioning for the common corridors on the 3rd through 9th Floors will be provided via a 100% outside air rooftop unit (RTU).

Non-Residential Unit Space Air Conditioning:
Each of the Non-Residential Unit spaces are served by a combination of split air-cooled direct expansion (DX) cooling systems and water-cooled DX cooling equipment. The indoor air conditioning equipment will remain located within the Non-Residential Unit tenant space in which they serve. The outdoor air-cooled split condensing units and cooling tower will either be located on the roof of the 3rd Floor (former courtyard area), on the PH or elevator machine room roof, or in the exterior areaway on the south side of the building.

N. Ventilation:

Toilet Exhaust:
Residential Toilet Exhaust: Each renovated Residential Unit's toilet room will be provided with a ceiling-recessed, inline exhaust fan. Each local exhaust fan will be controlled via a dedicated "ON/OFF" switch located in the toilet room. The local bathroom fans will be connected to a modulating building exhaust system, similar to the residential kitchen exhaust and laundry exhaust systems

described previously. A central exhaust fan will be located on the 9th Floor Roof. Multiple ductwork risers will extend from the fan to connect to the local bathroom fans within the Residential Units. Unlike traditional exhaust systems that operate at full speed 24/7, this demand-controlled ventilation system will be able to sense when no local bathroom fans are running and thus operate at a low speed. When the system senses that multiple bathroom fans are running, the system controller will increase the central fan's speed as required to maintain a pre-determined pressure set-point. Infrastructure will be provided for the non-renovated Residential Units to be connected to this demand-controlled exhaust system at some point in the future. Non-renovated Residential Units that require toilet exhaust due to the removal of an air shaft or courtyard window will be provided with Building Code compliant ventilation as required.

Non-Residential Unit Toilet Exhaust: Non-Residential Unit space A is the only Non-Residential tenant with a central toilet exhaust system. A central toilet exhaust system is not provided for the balance of the Non-Residential Unit.

Laundry Exhaust – Each renovated Residential Unit will be provided with a natural gas-fired clothes dryer. The clothes dryers will be connected to a modulating building exhaust system, similar to the residential kitchen exhaust system described previously. A central exhaust fan will be located on the penthouse roof. Multiple ductwork risers will extend from the fan to connect to the clothes dryers within the residential units. Unlike traditional exhaust systems that operate at full speed 24/7, this demand-controlled ventilation system will be able to sense when no clothes dryers are running and thus operate at a low speed. When the system senses that multiple clothes dryers are running, the system controller will increase the central fan's speed as required to maintain a pre-determined pressure set-point. Provisions for the non-renovated Residential Units to be connected to this demand-controlled exhaust system in the future will be provided.

Residential Kitchen Exhaust: Each renovated Residential Unit will be provided with a kitchen range exhaust hood specified by the Interior Design Architect. The 1-2 bedroom units (4-burner range) will have a 460 cfm exhaust hood, while the 3-4 bedroom units (6-burner range) will have a 600 cfm exhaust hood. The hoods will be connected to a modulating building exhaust system. A central exhaust fan will be located on the penthouse roof. Multiple ductwork risers (18 gage galvanized sheet metal minimum) will extend from the fan to connect to the kitchen hoods within the residential units. Unlike traditional exhaust systems that operate at full speed 24/7, this demand-controlled ventilation system will be able to sense when no kitchen hoods are running and thus operate at a low speed. When the system senses that multiple kitchen hoods are running, the system controller will increase the central fan's speed as required to maintain a pre-determined pressure set-point. Provisions for the non-renovated Residential Units to be connected to this demand-controlled exhaust system in the future will be provided. Non-renovated Residential Units that require kitchen exhaust due to the removal of an air shaft or courtyard window will be provided with Building Code compliant ventilation as required.

Non-Residential Unit Kitchen Exhaust: A grease duct exhaust system is provided for the Non-Residential Unit space. Exhaust fans are located either on the 9th Floor Roof or the elevator machine room roof.

Non-Residential Unit Kitchen Make-Up Air: A make-up air system is provided for the restaurant tenant. Make-up air fans are located on the Elevator Machine Room Roof. The kitchen make-up air to the Non-Residential Unit space is un-tempered.

Elevator Machine Rooms & Hoist way Ventilation: The machine rooms for the existing and new passenger elevators will be naturally ventilated in accordance with the 2008 Building Code.

Residential Unit Ventilation: The living areas of the residential units will be naturally ventilated using

operable windows in accordance with the 2008 Building Code. The common areas within the residential portion of the building (e.g. fitness center, residential lobby, tenant storage, children's playroom) will be mechanically ventilated by a 100% outside air DX cooling/natural gas heating RTU, located on the 3rd Floor Setback. The common corridors on the 3rd through 9th Floors will be mechanically ventilated via a 100% outside air rooftop unit (RTU) located on the 9th Floor Roof.

Non-Residential Unit Tenant Ventilation: The Non-Residential Unit spaces are not provided with mechanical ventilation. The spaces are naturally ventilated via operable windows and doors.

O. Electrical Systems:

The existing incoming electric service is a 208/120V, 3-phase, 4-wire service which enters the building in the northeast corner of the 1st Floor (from Columbus Avenue), via a single service end box. The existing service equipment is located in a 1st Floor space that is currently being utilized for storage and/or a locker/dressing area for one of the Non-Residential Unit tenants. This creates a condition where accessibility and working clearance to the existing electrical equipment is obstructed and does not meet NYC Electrical Code requirements.

A new incoming electric service, also at 208/120V, 3-phase, 4-wire, will be provided by Con Ed entering the building in the southwest corner of the 1st Floor (from West 78th Street). This new service will provide electricity to a new electrical distribution system. The new electrical service equipment will be housed entirely within a single dedicated room within the 1st Floor thereby meeting Building Code required accessibility and working clearances. Tenants remaining in residence during construction will continue to have their electricity provided by the existing service until the new service becomes operational; at which time, they will be re-supplied from the new service.

Residential Unit Service:

The electrical service to existing Residential Units is 120/208 Volts single-phase, direct metered by the electrical utility company. Residential Unit panels are sized for 60A at 120/208 Volts single-phase. The existing residential meter bank in the First Floor will be re-fed from the new electrical service at the appropriate time to maintain electricity to any residential units not being renovated and/or expanded.

Residential Units that will be renovated and/or expanded will each have a new electrical service from the new electrical distribution system that is 100A at 120/208 Volts single-phase. Each of these Residential Units will be directly metered by the electrical utility company from a new meter bank in the new 1st Floor Electric Service Room. Each renovated Residential Units will have a 100A 120/208 Volts single-phase panel within the demised tenant space for service to all electrical loads.

The new Penthouse Residential Unit will be provided with a new 100A 120/208 Volts three-phase electrical service directly metered by the electrical utility company from a new meter in the cellar electric service room.

Adequacy:

Many Residential Units do not provide the proper number of wall receptacles, appliance branch circuit and receptacles, etc. as required by the 2011 NYC Electrical Code. Residential Units that are to be renovated and/or expanded will be required to meet the 2011 NYC Electrical Code requirements for number of convenience receptacles and appliance receptacles and branch circuits. Residential Units where no work is being performed will not require compliance with 2011 NYC Electrical Code receptacle and appliance receptacle and branch circuit requirements.

Switched lighting fixtures are provided in bathrooms, walk-in closets, foyers and kitchens, switched receptacles are provided in bedrooms. Typical fixtures are incandescent type in foyers, dining areas, and walk-in closets and kitchens. Residential Unit corridor lights are incandescent.

Receptacles provided in many rooms do not meet the quantity and spacing as required by code. Residential

Units that are to be renovated and/or expanded will be required to meet the 2011 NYC Electrical Code requirements for spacing and quantities of receptacles. Residential Units where no work is being performed will not require compliance with 2011 NYC Electrical Code receptacle requirements.

Branch circuits, 120V, 15A and 20A, supplying receptacle outlets in dwelling unit bedrooms, study rooms, hallways, closets or similar rooms or areas are not protected by a listed Arc-Fault Circuit Interrupter (AFCI). Residential Units that are to be renovated and/or expanded will be required to meet the 2011 NYC Electrical Code AFCI requirements. Residential Units where no work is being performed will not require compliance with 2011 NYC Electrical Code AFCI requirements.

Receptacle outlets in dwelling units were not provided with listed tamper-resistant type receptacles. Residential Units that are to be renovated and/or expanded will be required to meet the 2011 NYC Electrical Code requirements for tamper-proof receptacles. Residential Units where no work is being performed will not require compliance with 2011 NYC Electrical Code tamper-proof receptacle requirements.

Emergency Generator:

The existing building is not currently provided with an emergency generator.

Exit and emergency egress lighting is currently backed up by means of emergency battery packs.

The renovations to the building, including the addition of the Penthouse Residential Unit, do not mandate the installation of an emergency generator. Currently there are no provisions to design and install an optional generator.

P. Telephone, Intercom and Security Systems:

The existing building is not currently provided with a centralized audio intercom system. Residential Units are provided with a hardwired, voice only intercom with remote entry door release. Residential Units to be renovated will be provided with a new centralized audio or audio/video intercom system. Non-renovated Residential Unit intercom device will tie into the new

system, or be replaced with new, as individual conditions dictate.

Intercom manufacturer to be by Siedle, Model: B-CIIFI-E or equivalent.

Closed Circuit-TV:
The existing building is not currently provided with a dedicated closed-circuit-TV system. Updated amenity and lobby spaces will be provided with a new CCTV system. Cameras will be provided at exit doors, in exit passageways, lobby, rooftop, 1st floor and elevators.

CCTV to be installed, make/model to be selected at a later date.

Q. Television Reception Facilities:

Cable television and telephone services are provided to each Residential Unit directly through 3rd party providers on an individual subscription basis (separate charge).

The building will not be equipped with a master television antenna system.

R. Public Area Lighting: All lighting in common areas, with the exception of the vestibule and lobby, are ceiling and/or wall mounted incandescent or fluorescent fixtures. Lighting for the lobby is pendant mounted incandescent chandeliers. All lighting complies with NYC Housing and Maintenance Code and multiple dwelling law.

Lighting in 1st Floor mechanical spaces and storage rooms is a combination of incandescent and fluorescent type lighting.

S. Garage: None

T. Recreation Facilities: None.

U. Permits and Certificates: The building has the following approved plans with the DOB and LPC:

Approved DOB applications
- ALT-1 & Demo (application # 121235341)
- ALT-2 & Demo Combination units on Floors 3-7 (application # 121977432)
- Selective Demolition work for 4th Floor (application # 121661932)

Approved LPC applications
- ALT-1 & Demo (permit issued 2/11/14
  Docket # 15-2193
  COFA # COFA 15-4133
- ALT-2 & Demo CNE# CNE 15-7288

Attached are the following reports and plans:

Local Law 11: For information about Local Law 11 work, reference is made to the Local Law 11 report as set forth in Part II of the Plan.

Asbestos: For information about the presence or absence of asbestos containing material ("ACM") throughout the building, and disclosure as to whether any existing ACM is friable, reference is made to the separate report on ACM which is set forth in Part II of the Plan.

Lead Paint: For information about the presence of lead paint throughout the building, and disclosure as to whether any lead paint exists, reference is made to the Lead Paint report as set forth in Part II of the Plan.

Tenant Protection Plan: The building is expected to be at least partially occupied prior to obtaining an amendment to the existing certificate of occupancy, at first by existing rental tenants only, and later by both rental tenants and by unit purchasers. Each such occupant is advised that it is a "Special Risk" that construction work and construction activities will be ongoing for some period of time while Residential Units are occupied. Following this report is a Tenant Protection Plan which each tenant and Residential Unit owner is advised to review carefully.

Violations: Violations are set forth in appendix C.

Updated inspection certificates and permits will be provided for the following: oil storage, elevator inspection and boiler safety inspection.

All required inspection certificates and permits, including elevator inspection and sprinkler system, will be provided before closing.

V. Vaults:

Existing areaway at sidewalk along 78th street and vault along Columbus Avenue at Northeast corner. The steel beams under the sidewalk vault at east side of the building are severely corroded and delaminated. This damage is a result of infiltration of water and salt from the sidewalk. Structural beams are to be further investigated and repaired or replaced as required.

W. Unit Information:

All vacant Residential Units identified below will be renovated. As other Residential Units become vacant, they may likewise be renovated.
Vacant Residential Units will have new hardwood floorsand floor molding throughout with the exception of bathrooms, which will be tile. Walls and ceilings will be painted gypsum wallboard.

Typical floor construction consists of ¾" thick solid wood floor over .0085" thick sound underlayment over two existing layers of tongue and groove wood plank on flat 2"x6" sleepers at 12" on center, resting on the top flanges of the steel beams. The typical ceiling consists of 6" flat terracotta arches spanning between the steel beams, bearing on the bottom flanges of the beams. The bottom of the terracotta is finishes with approximately 1" of plaster.

All appliances and fixtures will be installed new in the vacant Residential Units identified below.

The public corridors will have new carpeted floors and wall coverings. The carpet model is Quality 279, Design Luminous, Color 502 Mist, made of wool and nylon and the manufacturer is Beauvais or equivalent. Walls, doors and trim will be painted.

Residential Units to be renovated:

3B, 3C 4B, 4C, 5A, 5B, 5C, 6A, 6C, 6E, 7A, 7D, 7F, 8B, 8E, 8G, PH

Finish Schedule for Typical Renovated Residential Units from 3-9th Floors

Space	*Floor*	*Wall*	*Base*	*Ceiling*
Foyer	Wood	Painted GWB	Wood	GWB
Living Room	Wood	Paint	Wood	GWB
Bedrooms	Wood	Paint	Wood	GWB
Kitchen	Wood	Paint	Wood	GWB
Bathrooms	Stone	Varies	Stone	GWB
Closets	Wood	Paint	Wood	GWB
W/D Closet	Stone	Paint	Wood	GWB

Kitchen Countertops	Stone or equivalent
Kitchen Cabinets	Wood

Bathroom Fixtures for Master Baths from 3-9th Floors in Renovated Residential Units

Shower Head	Waterworks	#UNSH29 or equivalent
Shower Handspray	Waterworks	#RDHS01 or equivalent
Vanity	Custom	Marble Counter
Lavatory	Waterworks	Style # 410363 or equivalent
Lavatory Faucet	Waterworks	Style # RDLS10 or equivalent
Tub	Kohler	K-850-0 or equivalent
Tub Filler	Waterworks	#RDTS80 or equivalent
Water closet	Duravit	# 254409 or equivalent

Bathroom Fixtures for Secondary Baths from 3-9th Floors in Renovated Residential Units

Vanity	Custom	Marble Counter
Tub	Kohler	K-895-0 or equivalent
Tub Filler/Spout	Toto	TS211E#CP or equivalent
Shower Head	Toto	TS200AL51#CP or equivalent
Hand Shower	Toto	TS200F41#CP or equivalent
Water closet	Duravit	#254409 or equivalent
Lavatory	Kohler	K-2209 or equivalent
Lavatory Faucet	Toto	TB211DD#CP or equivalent

Bathroom Fixtures for Powder Rooms from 3-9th Floors in Renovated Residential Units

Lavatory	Elkay	Asana SS bowl or equivalent
Lavatory Faucet	Watermark	314-2-CRY4
Water closet	Duravit	#254409 or equivalent

Kitchen Fixtures for Floors 3-9th in Renovated Residential Units

Sink	Franke	GNX1 1028 or equivalent
Sink Faucet	KWC	10.261.002.127 or equivalent
Instant Hot/Cold Water Filter	InSink Erator	#F-HC2215 or equivalent
Pot Filler	KWC	10.500.357.700 or equivalent

Kitchen Fixtures for Penthouse

Sink	Franke	GNX1 1028 or equivalent
Sink Faucet	KWC	10.261.002.127 or equivalent
Island Sink	Franke	GNX1 1018 or equivalent
Island Sink Faucet	KWC	SIN 10.261.012.127 or equivalent
Instant Hot/Cold Water Filter	InSink Erator	#F-HC2215 or equivalent
Pot Filler	KWC	10.500.357.700 or equivalent

Laundry Fixtures for Penthouse

Sink	Kohler	K-5287-NA or equivalent
Sink Faucet	Kohler	K-8762-BN or equivalent

Wetbar Fixtures for Penthouse

Sink	Franke	ERX110 or equivalent
Sink Faucet	KWC	10.181.992.127 or equivalent

Renovated Residential Units Appliance Summary 3rd – 9th Floor:
All models below to be provided as stated, or of equivalent quality.

3B – 4 Bedroom:
4B – 4 Bedroom:
5B – 4 Bedroom:
6C – 3 Bedroom:
Penthouse – 4 Bedroom:

Refrigerator –	Sub Zero IC-30RID- 30" integrated all refrigerator column
Freezer –	Sub Zero IC-24FI – 24" integrated all freezer column
Dishwasher – quantity: 2	Miele # G5670 SCVi Futura Dimension Series Dishwasher Fully integrated
Single Oven-	Viking VESO1302SS Single oven
Range –	Viking VDSC536T-6B Dual Fuel 36" Range 6 Burners
Hood –	Viking VWH3610SS 36" Pro Style St Steel hood 10" high
Microwave – 30" trim	Viking RVM320Convection Microwave Oven / order with
Garbage Disposal –	Waste King # 9980 Legend Series 3 Bolt Mount
Wine storage –	Sub Zero # 427 Full height wine cooler

Washer –	LG # WM3050 CW Ultra Large Capacity 27" washer
Dryer –	LG # DLG3051W Gas Dryer

3C – 3 Bedroom
4C – 3 Bedroom
5C – 3 Bedroom

Refrigerator –	Sub Zero IC-30RID- 30" integrated all refrigerator column
Freezer –	Sub Zero IC-24FI – 24" integrated all freezer column
Dishwasher – quantity: 2 Fully integrated	Miele # G5670 SCVi Futura Dimension Series Dishwasher
Single Oven-	Viking VESO1302SS Single oven
Range – Burners/Grill /2 ovens	Viking VDSC548T-6B– Dual Fuel 48" Range / 6
Hood –	Viking VWH54848 + ViNV1200 St Steel 18" high hood
Microwave – 30" trim	Viking RVM320Convection Microwave Oven / order with
Garbage Disposal –	Waste King # 9980 Legend Series 3 Bolt Mount
Wine storage –	Sub Zero # 427 Full height wine cooler
Washer –	LG # WM3050 CW Ultra Large Capacity 27" washer
Dryer –	LG # DLG3051W Gas Dryer

5A – 3 Bedroom:

Refrigerator/ Freezer drawers below	Sub Zero IT-36CIID Integrated 36" Refrigerator with 2
Dishwasher – quantity: 2 Fully integrated	Miele # G5670 SCVi Futura Dimension Series Dishwasher
Range –	Viking VDSC536T-6B Dual Fuel 36" Range 6 Burners
Hood –	Viking VWH3610SS 36" Pro Style St Steel hood 10" high
Microwave – 30" trim	Viking RVM320Convection Microwave Oven / order with
Garbage Disposal –	Waste King # 9980 Legend Series 3 Bolt Mount
Wine storage –	Sub Zero # 424 G/O Undercounter wine storage
Washer –	LG # WM3050 CW Ultra Large Capacity 27" washer
Dryer –	LG # DLG3051W Gas Dryer

6A – 2 Bedroom:
6E – 1 Bedroom:
7A – 2 Bedroom:
7F – 2 Bedroom:
8G – 2 Bedroom:

Refrigerator/ Freezer drawers below	Sub Zero IT-36CIID Integrated 36" Refrigerator with 2

Dishwasher – quantity: 1 Fully integrated	Miele # G5670 SCVi Futura Dimension Series Dishwasher
Range –	Viking VDSC530T-4B 4 Burner Dual Fuel 30" Range
Hood –	Viking VWH3010SS St Steel 30" hood 10" High
Microwave – 30" trim	Viking RVM320Convection Microwave Oven / order with
Garbage Disposal –	Waste King # 9980 Legend Series 3 Bolt Mount
Wine storage –	Sub Zero # 424 G/O Undercounter wine storage
Washer –	LG # WM3050 CW Ultra Large Capacity 27" washer
Dryer –	LG # DLG3051W Gas Dryer

7D – 2 Bedroom:

Refrigerator/ Freezer drawers below	Sub Zero IT-36CIID Integrated 36" Refrigerator with 2
Dishwasher – quantity: 1 Fully integrated	Miele # G5670 SCVi Futura Dimension Series Dishwasher
Range –	Viking VDSC530T-4B 4 Burner Dual Fuel 30" Range
Hood –	Viking VWH3010SS St Steel 30" hood 10" High
Garbage Disposal –	Waste King # 9980 Legend Series 3 Bolt Mount
Washer –	LG # WM3050 CW Ultra Large Capacity 27" washer
Dryer –	LG # DLG3051W Gas Dryer
Stacking Kit –	

8B and 8E) – 1 Bedroom:
Refrigerator: Sub Zero IT-30CIID Refrigerator/Freezer
Range: Viking 30" Dual Fuel Range – VDSC
Microhood: Convection Microwave Hood – VMOR - Viking Professional 5 Series
Dishwasher Miele # G5670 SCVi Futura Dimension Series Dishwasher Fully integrated

The existing finishes, appliances and fixtures in the occupied Residential Units are in fair condition. Some cabinets are laminated with a wood or metal finish. Sinks are primarily single basin stainless steel. Kitchenette appliances are of several brands and include refrigerators. Some have dishwashers and microwaves.

Bathroom floors have ceramic tiled floors and marble saddles. Walls are ceramic tiled approximately half height except at tubs with showerheads where they are tiled to showerhead height. Bathroom fixtures include cast iron tubs with showerheads and

flushometer or tank water closets. Lavatories are porcelain set in vanities with a wood laminate finish. Some bathrooms are ventilated through windows or mechanical shafts. There are no known accessible leaks through the windows, walls and ceilings in the Residential Unit interiors.

Interior doors are wood with wood bucks. Residential Unit entrance doors were described in the foregoing.

Residential Unit lighting is by standard ceiling fixtures.

Refer to Schedule 'A' for unit square footage information including number of bedrooms and bathrooms attached hereto.

X. Substitutions: Sponsor reserves the right to substitute materials, appliances, fixtures and equipment of equal or better quality than those set forth in this report.

Y. Safety and Warning Devices:

Central Fire Alarm System:
The existing building is not currently provided with a central fire alarm system.
A new code-compliant fire alarm system will be provided throughout the building with capabilities for tie-in of existing and/or new retail tenant sub-systems.

Residential Unit Smoke and Carbon Monoxide Detector System:
Some Residential Units are provided with single station smoke and carbon monoxide alarms. However, many of the Residential Units are not provided with single station smoke and carbon monoxide alarms as required by code.
All renovated Residential Units will have smoke and carbon monoxide detector as required by Building Code.

Z. Additional Information:

Tenant Protection Plan filed and approved under ALT TYPE I, application number 121235341.

AA. Additional Information Dimensions of Units:

The square foot area of the units set forth in the floor plans and schedule a to the offering plan and schedule b to the declaration are approximate and were obtained by using the method customarily used in New York City to measure rental, cooperative and Condominium apartments:

The units were measured from the exterior side of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts are not deducted) to the midpoint of the interior walls and partitions separating one unit from another unit, or separating a unit from public corridors, stairs, elevators, and other mechanical equipment spaces or any common elements or limited common elements. any common elements located within a unit will not be considered a part of such unit. As a result of measurements being made from points outside the unit interiors and, as is customary in New York City, these square foot areas exceed the useable floor area of each unit.

The Condominium board, Sponsor, and Sponsor's designee will each have an easement to install and maintain pipes, conduits, wires, ducts, and other facilities in the space between the underside of each such floor slab and the top surface of each unit's finished ceiling, without any need to obtain the consent of any Residential Unit owner with respect to the same.

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.

Ceiling heights within the renovated Residential units will vary from: 8'-6" to 10'10".

There are approximately 8,100 square feet of Excess Development Rights that are being reserved by sponsor. A portion of these Excess Development Rights may be used to infill an internal air shaft on Floors 8 and 9 in the future. This internal air shaft is already being infilled as part of the construction from

Floor 3 to the top of Floor 7. The size of the internal air shaft is approximately 190 square feet on each floor. Construction of the internal air shaft infill on Floors 8 and 9 would take place directly above and adjacent to Residential Units located at Floors 7 and 8 respectively provided access is given by the tenant whose windows face the air shaft. Construction of the air shaft infill will involve the installation of steel, concrete and interior mechanical systems and finish materials, including drywall and painting. DOB and LPC approvals will be required prior to performing the infill of the internal air shaft.

The foregoing constitutes a true, correct and complete Description of Property by our firm for the property located at 101 West 78th Street, New York, New York 10024.

H. Thomas O'Hara, AIA

FLOOR PLANS OF RESIDENTIAL UNITS

Under the existing building codes applicable to the Building, a small number of windows in certain Residential Units are so-called 'lot line windows' and will be required to be closed up in the unlikely event that the adjoining property is ever redeveloped with one or more buildings of different configurations than that now located on the same. In this regard, prospective purchasers should note that the rooms having lot line windows have other windows that, under the existing building codes, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. The windows that are

lot line windows are identified on the floor plans that follow this Report. Although the possibility that any lot line windows will be required to be closed up is extremely remote, neither Sponsor nor the Condominium Board will have any liability or obligation in connection with the same.

LOCAL LAW 11 REPORT

GEIGER ENGINEERING, PC
65 Broadway, Suite 507
New York, NY 10005
212-349-8281
Fax: 212-349-8313

101 West 78th Street, New York, NY 10024
REPORT OF CRITICAL EXAMINATION –
Amended - 7th CYCLE REPORT, Sub Cycle B (04/11/2014)

A. *Location:* *101 West 78th Street*
A.K.A. 380-384 Columbus Avenue
New York, NY 10024
Block:1150 ; Lot:0
Bin: 1030257
Cross Street(s): Columbus Avenue, Amsterdam Avenue
Landmark District: Yes
Special District: Unknown

B. *Owner:* *101 West 78th LLC*
72 Madison Avenue, 6th Fl
New York, NY 10024
Tel: 646-472-7995

C. *Building Description:*

(a) *7 Stories +PH*
Height - (+/-) 75 Ft
Dimension: 100' X 102.16'
Certificate of Occupancy #: 116999
Usage -: Residential
Exterior Wall Construction - Brick and Stone
Age of Building: Approximately 122 years

D. *Description of settlement, repairs, or revisions of exterior enclosure since previous report:*

i. *Façade repair DOB application # 121498263*

E. *Procedure used in making the Critical Examination:*

- *Visual survey of all facades from the street using high-powered binoculars.*
- *Visual observation of all roof areas and roof level structures.*
- *Close range inspections of façades from hanging scaffold @ Street facing facades.*

F. *Detailed Description Critical Examination Procedures*

1. *Extent and location examination performed:*
   i. *Visual observation/ survey using high-powered binoculars from hanging scaffold and roof level.*
   ii. *Close range inspections of façades from hanging scaffold (See diagram on pg. A-1)*

2. *Riggers information:*

3. *Location diagram :* ***(See diagram on pg. A-1)***

4. *Start and completion date of critical examination: 01/18/2013 (Initial); 03/25/2014 (Final)*

G. *Conditions Observed:*

1. *Significant deterioration and movement: None observed or detected*
2. *Building Water Tightness: No recent leaks were reported by the building management and none were apparent during the inspection.*

Exterior Appurtenances- Front/ Rear/ Side Facades:

ROOF:	*-Flat roof, bulkheads, chimneys and vertical pipes*
PARAPETS:	*-Brick with stone coping & metal guard railing.*
WINDOWS:	*-Metal frame double hung*

SILLS:	*- Stone*
LINTELS:	*-Stone*
A/C UNITS:	*- Observed*

All Exterior Appurtenances observed to be in satisfactory condition.

Statement of Basis and Purpose:

Local Law 11 for the year 1998, amends the Administrative Code Requirements for the periodic inspection of the exterior walls of buildings greater than 6 stories in height. All former exceptions to the periodic inspection of exterior walls were deleted. The only exterior walls now exempt are those which are less than 12 inches from the exterior wall of an adjacent building.

Local law 11 now categorizes work in three ways:
Unsafe
Safe with a repair and maintenance program
Safe

The significant difference between these definitions and those under Local Law 10 is that "unsafe" work must be corrected within 30 days after they are reported. "Safe with repair and maintenance program" must be corrected before the next Local Law 11 cycle. If not corrected they would immediately revert to unsafe so defined by the law.

H. *Analysis of the causes of the reported conditions:*
Cause of reported conditions is the cyclical freeze/ thaw weather condition; typical to Northeast and continuous water infiltration.

I. *Status of the Exterior Maintenance:*

Findings of 6th Cycle Inspection:
DOB BIS records indicated no facade report filed

J. *History of Corrective Work:*
Repair work to façade was carried out under job application #: 121498263

Finding of 7th Cycle Inspection:
A "Unsafe" report was prepared by Alan Epstein in 2012. Copy of this report was given to us by the Owner. The DOB issued a violation for "Unsafe Local Law 11/98 Report Filed" on 06/28/2012, DOB violation # HAZ73571.

Consequently, we prepared plans for the required corrective work for the noted unsafe conditions . An application #: 121498263 was filed with the NYCDOB and Permit issued on 01/24/2013. A facade repair program was carried out from January - March, 2014.
*At the time of our final inspection held on (03/25/2013) all "Unsafe" items were corrected. However, the **"SWARMP"** conditions noted on A. Epstein's report were not corrected.*

The roof guard railings were inspected and deemed secure and sound.

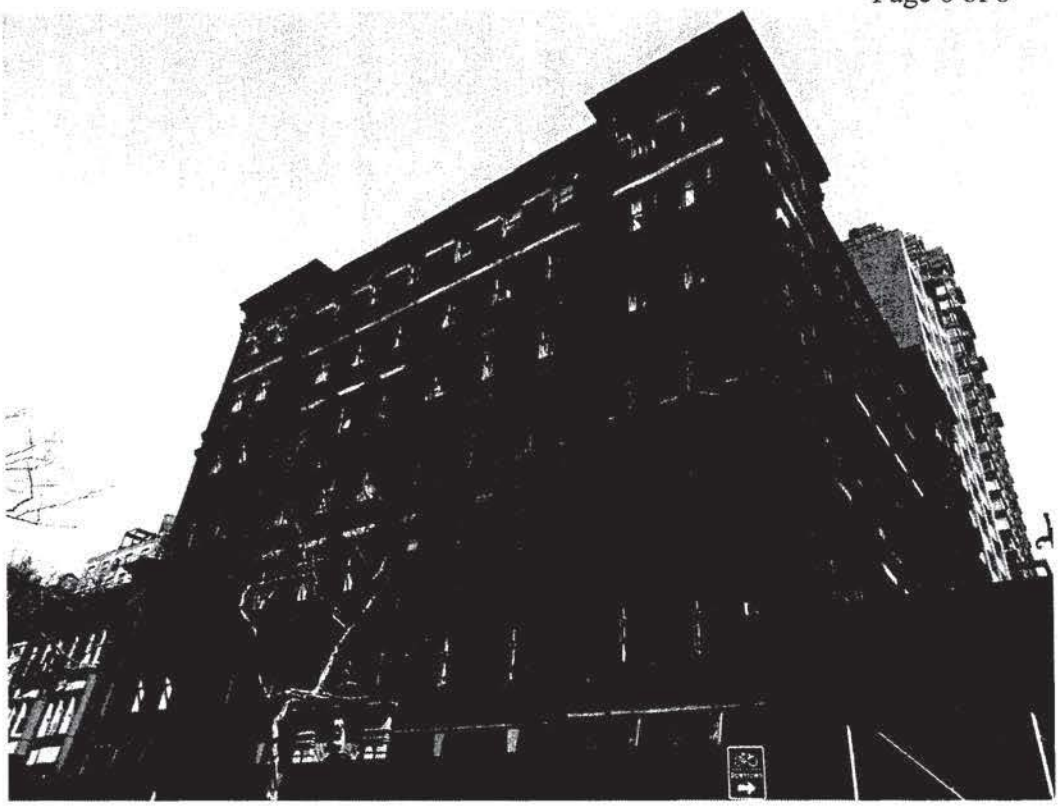
ECB Violation #: None

*DOB Violation #: **HAZ73571** "Unsafe Local Law 11/98 Report Filed" issued on 06/28/2012*

Repair Work Recommendations:
*Although remedial work has been recently performed by the owner, it is recommended that further repair work to correct the **"Safe with Repair & Maintenance Program" (SWARMP)** conditions noted be carried out by December 31, 2015.*

K. *Required Work permit/s:*
A work permit, as per TPPN 1/99 will be required to perform the subject repair work.

L. *Photograph (Street Front Elevation - Overviews):*



M. *Current Report Filing Status:*
"Safe with Repair & Maintenance Program" (SWARMP)

Commentary

The accuracy of this report is limited to what can be reasonably expected utilizing high powered optical equipment and binocular surveillance from the street, or setbacks. We have been retained in accordance with Rule 1 RCNY 103-04 of the New York City Administration Building Code, which allows critical examination using the above techniques and the use of scaffolding, platforms or rigging. This report was not intended for the determination of causes of conditions note above. The engineer has been retained exclusively for critical examination of the building walls and the appurtenances thereof, and the preparation and filing of this report, all in compliance's with Rule 1 RCNY 103-04 of the Administrative Code of New York City i.e. local Law 11/98.

This engineer's responsibility is limited solely to that of critical examination, preparation and filing of this report. No statement in this report is intended to extend the engineer's liability beyond that required by Local Law 11/98.

Accordingly, the owner is reminded that it is his/her sole responsibility to correct immediately all conditions noted in this report as 'unsafe'. The owner is also reminded to inform the Building Department of the corrections made for 'unsafe' conditions. The owner is also urged to prepare a maintenance program for the correction of any conditions noted as requiring repair/maintenance work.

Critical statements made in this report on the conditions of the buildings may not be used as criticism of previous designs, contractors or anyone responsible for the building. This report may not be used as any representation or as basis for any sale of buildings referred to, either for sale as cooperative or any other sales.

Descriptions of the building in this report are not guaranteed for survey type accuracy or for legal use.

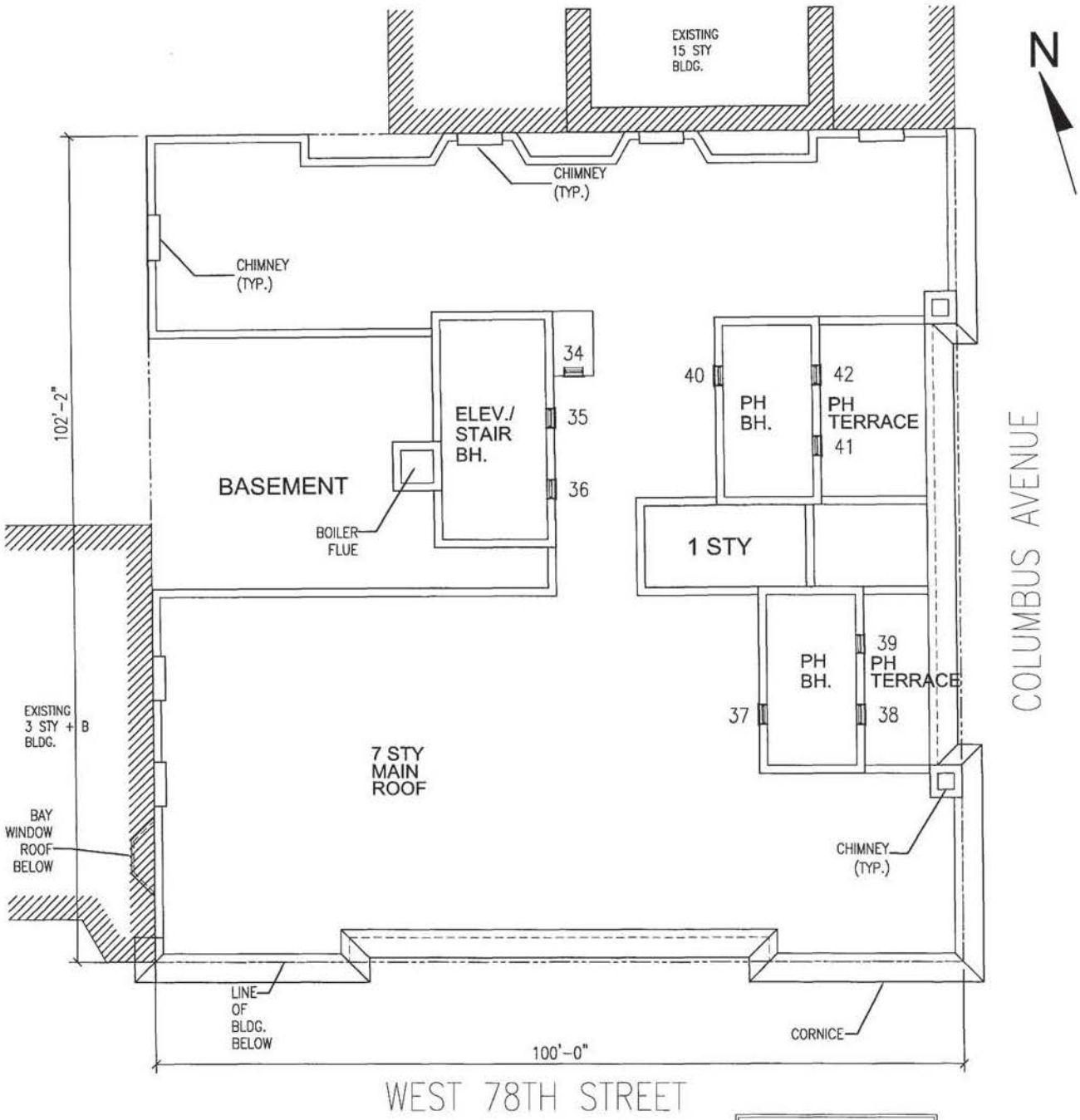
Glass elements have been examined with attention to supporting structure. The actual condition of the glass has been included, only it is obviously cracked or in danger of falling from the building.

The details for this report cannot be used to determine the extent of or to contract for maintenance or repair work. Where a condition has been described as precautionary, the owner is obligated to contract for scaffolding, protection etc. to remedy the condition.

Conditions of the building noted and identified in the reports are limited to the date of this report.

N. *Our inspections were performed in 01/18/2013 (Initial); and 03/25/2014(Final).*

Elie Geiger, P.E.



BLOCK: 1150
LOT: 29
ZONE: C1-8A
MAP: 8c

Main Roof Diagram

Not To Scale

7th Cycle Report

101 WEST 78TH STREET
NEW YORK, NY 10024

A-1

Date: 04/11/14

ASBESTOS REPORT

ASBESTOS INSPECTION REPORT

Conducted at:

101 WEST 78TH STREET

AKA 380 COLUMBUS AVE,

NEW YORK, NEW YORK 10024

Conducted for:

NEWCASTLE REALTY SERVICES LLC

72 MADISON AVENUE, 6TH FLOOR

NEW YORK, NY 10016

Prepared By:

KELECHI N AMADI'S GROUP

ENVIRONMAX INC.

115-70 SPRINGFIELD BOULEVARD

CAMBRIA HEIGHTS, NY 11411

ENVIRONMAX PROJECT NUMBER

CC-0016

Revised - 02/12/14

TABLE OF CONTENTS

Page No.

1.0 BACKGROUND 1

2.0 SCOPE OF WORK 2

3.0 SUMMARY OF FILE RESEARCH 2

4.0 SUMMARY OF AIRTEK'S INSPECTION RESULTS 3

5.0 CONCLUSIONS AND RECOMMENDATIONS 3

6.0 ASBESTOS QUANTITY SCHEDULE 5

7.0 AREAS NOT ACCESSIBLE 8

8.0 REPORT CERTIFICATIONS 8

APPENDICES

9.0 APPENDIX A: Analytical Results and Chain of Custody

10.0 APPENDIX B: File Search Data

11.0 APPENDIX C: Personnel Licenses

12.0 APPENDIX D: Laboratory Accreditations

13.0 APPENDIX E: ACM Location Drawings

1.0 BACKGROUND:

Environmax Inc. has conducted an asbestos survey for the presence of Asbestos-Containing Materials (ACM) at the following building:

Site: 101 West 78th Street.
Borough: Manhattan
New York, NY, 10024

The Investigator and inspector responsible for this project were:

Kelechi N. Amadi NYS Asbestos Inspector CERT #09-01202 Expires: 12/01/14
Adedeji Gbogboade NYS Asbestos CERT #06-09925 Expires: 04/14
Kelechi N. Amadi NYC Asbestos Investigator CERT#113521 Expires: 12/01/15

Site Visit(s): 11/03/12 thru 12/05/12, 05/24/13, 05/26/13, 01/20/14 and 02/07/14
Report Date(s): 12/09/12, 12/13/12, 05/27/13, 05/28/13, 01/23/14 and 02/12/14
Revision Date: 02/12/14

Field Procedures and Analysis Methodology:

Guidelines used for the inspection were established by the Environmental Protection Agency (EPA) in the Guidance for Controlling Asbestos Containing Materials in Buildings, Office of Pesticides and Toxic Substances, DOC #560/5-85-024 and 40 CFR Part 763, Asbestos Hazard Emergency Response Act (AHERA).
Field information was organized as per the AHERA concept of Homogeneous Area (HA). A HA is defined as a suspect material of similar age, appearance, function and texture. Each material was grouped together as a specific HA, sampled and then assessed for condition.
Bulk samples of suspect ACM were analyzed by Polarized Light Microscopy (PLM) with dispersion staining, as described in 40 CFR Part 763 and the National Emissions Standard for Hazardous Air Pollutants(NESHAPS).
The New York State Department of Health has recently revised the PLM Stratified Point Counting Method. The new method, "Polarized Light Microscopy Methods for Identifying and Quantifying Asbestos in Bulk Samples" can be found as item 198.1 in the ELAP Certification Manual
The State of New York ELAP has determined that analysis of Non-friable, Organically Bound Materials (NOB) are not reliably performed by PLM. Therefore, if PLM analysis of a NOB yields a negative result, it must be further confirmed by Transmission Electron Microscopy (TEM).
All samples were initially analyzed by PLM. Samples which produced a negative PLM result and which are classified as a NOB were then re-analyzed utilizing the TEM methodology.

2.0 SCOPE OF WORK:

The whole building including interior and exterior, which may be affected by the decontamination and deconstruction, was inspected for ACM:
The inspection was characterized by a close visual inspection of all accessible areas. Selective demolition was also conducted to access interstitial spaces suspected of containing ACM.

Suspect materials were sampled and inventoried for quantity, condition and friability. Environmax used previous survey results, which had been provided by the Amerisci laboratory Services Inc., in our determination of areas and materials to sample. Materials examined included:

1. Tar materials on interior perimeter walls at rear Northern wall
2. Roof tar/paper/coring.
3. Roof brick
4. Window caulking
5. Window glazing
6. Roof screed
7. Brick wall mortar
8. Floor covering materials
9. Pipe insulation

3.0 SUMMARY OF FILE SEARCH:

All available Building files have been reviewed.
The following is a listing of our findings:
□ ***Previous files*** – Environmax had initiated an asbestos investigation at the building from 11/03/12 thru 12/05/12, using the Amerisci Inc. The limited investigation revealed the absence of ACM in the interior walls and flooring of the accessible areas at the time. However, subsequent investigations have revealed ACM in the interiors of the expanded areas of investigation and found the following ACMs throughout the building:

4.0 SUMMARY OF NEW TESTING:

Pipe Insulations in the cellar (boiler room and oil-tank storage and prep room for Ocean Grill)

Exterior steam return pipes above the ocean grill restaurant roof.

- **Rear Northern wall's tar** (parapet wall level) has shown the presence of ACM in the amount of 13.9% Chrysotile

ROOFS:

- **Boiler room roof** 1st layer revealed less than 1% and therefore is not ACM.
  2nd –layer showed no trace of asbestos. Therefore the coring revealed not ACM.
- **Ocean Grill Restaurant roof** 1st layer revealed no ACM.
  2nd, 3rd and 4th layers are ACM containing 5.3%, 9.0% and 10.3% chrysotile and therefore ACM.
- **Main Roof** has 1st layer showing less than 1% chrysotile and therefore is not ACM.
  2nd, 3rd, and 4th layers have shown 9%, 7.2% and 7.2% chrysotile and therefore are ACM.

INTERIORS:

- All samples obtained from all apartments and hallways show the absence of ACM except for Apt. # 51.
- **APT. # 51 Bathroom** vinyl tiles (yellow in color), have shown the presence of 5.1% of Chrysotile and therefore is ACM.

□ ***Abatement Records*** –None exists prior to these inspections.

Based on the currently recommended sampling and analytical procedures for ACM materials, Environmax determined that sampling was necessary in order to determine the asbestos content of additional suspect materials.

4.0 SUMMARY OF ENVIRONMAX'S INSPECTION RESULTS:

The asbestos inspection was conducted in several phases from Nov 3rd 2012 to February 7th 2014 and involved a thorough visual examination of all areas and sampling of suspect materials that would be impacted during the proposed work schedule.

EMSL laboratories confirmed the presence of asbestos in the amount greater than 1% within the samples collected from the following material:

1. Flashing tar along the roof perimeter.
2. Tar – all joint tar between the coping stones.
3. Roof membrane on the bulkhead.
4. Waterproofing tar on bulkhead walls.
5. Roof membrane – main roof and 2-lower roofs (boiler room roof and ocean grill roof)
6. VCT found on the floor of bathroom in apt. #51as explained above.
7. Window caulking. All window glazing.
8. Glazing tars on the shaft roofs.
9. All roof flashings on the main roof and the flashing roof above the ocean grill restaurant
10. Rear Northern wall's tar (parapet wall level) has shown the presence of ACM.

EMSL laboratory analysis determined the samples collected from the following materials to contain less than one percent (<1%) asbestos.

1. Brick wall mortar
2. 1st layers of the main roof membrane and the roof above ocean grill restaurant.

5.0 CONCLUSIONS AND RECOMMENDATIONS:

Asbestos-containing materials, which may be affected by the scope of work, have been positively identified at various locations throughout the building.
As the identified ACM is to be disturbed by the proposed renovation work, proper asbestos abatement procedures shall be implemented prior to the commencement of such work. All asbestos abatement work shall be performed in accordance with all applicable Federal, State and Local rules and regulations. The abatement project shall be filed with all agencies having jurisdiction over this project, such as USEPA, NYSDOL and NYCDEP.
A licensed abatement contractor must perform the removal of all friable and non-friable ACM.
Environmax believes that the implementation of these recommendations will serve to best protect human health and the environment.

To assure that the removal of the aforementioned ACM is properly and effectively carried out, the following recommendations are proposed by Environmax:

- Develop and implement a schedule that outlines the time frame for removal of ACM.

- Develop complete and concise specifications to effectively deal with removal of the ACM. These specifications should be developed to comply with all applicable Federal, State and Local regulations.

- C. Retain the service of an independent testing laboratory to monitor the air for possible asbestos contamination before, during and after the removal work.

- Retain all documentation and correspondence from the removal contractor, the testing laboratory and related items in a permanent record.

6.0 ASBESTOS QUANTITY SCHEDULE:

During the survey;
□ A visual investigation was conducted to determine what suspect materials for ACM (asbestos containing materials) were present in the building at the areas of proposed work.

Such areas as: The cellar, the commercial areas of the 1st floor, specific areas of the residential units with suspect materials not tested during the building-wide investigation due to lack of access at the time (4th floor and 7th floor overhead chases.) and the roof.

The investigation revealed the presence of ACM and PACM (Presumed Asbestos Containing materials). These materials must be abated prior to construction work commencing using the approved methods by the **NYCDEP/EPA** (Environmental Protection Agency of the United States of America). Therefore an **ACP7** must be obtained from an approved **Asbestos Abatement Company** using this letter as a report of the presence of ACM and quantities as specified.

Results:

1. **The Cellar**: The elevator room from the boiler room has an air-cell wrap (PACM) on a heating steam pipe at the upper left-hand corner of the room. **2lf.** (LF= linear footage).

1. **Boiler room** has air-cell wraps on the pipes around the boiler and leading into the oil-tank storage room totaling **120lf.**

   The oil-storage room (next to the boiler room) has pipe air-cell wraps of **110lf.**
2. **1st floor and 2nd floors**

   2- Roofs are accessible from the 1st floor level and 2nd floor.

   (a) Boiler room roof accessible from the left window before the staircase has **No ACM** on the 1st layer however 2nd layer has revealed the presence of ACM of **600sft.**

   (b) Ocean restaurant roof flashing tar is ACM at 2ft high along the perimeter of the roof and is**104sf.**

   (c) The roof membrane on the ocean grill top 2nd layer has revealed the presence of ACM and therefore there is additional **96sft.** to be abated.

   (d) Main roof Membrane tested positive for ACM on all 3 inner-layers:

Therefore a total of **9171**sft is to be abated.

(e) **Steam and water lines** accessible thru the ocean restaurant roof have friable air-cell wraps and vermiculite of 9lf and 20lf respectively these are pipes running into Apt. #s: 35,45,55,65 and 75 for a total of **29lf**. The extents of their penetrations are unknown at this time.

7th floor

All steam/water lines boxed-in the ducts above head have air-cell wraps of ACM for a total of **95lf** visible. The total lengths are unknown until demolition starts.
Approximate asbestos quantity schedules remain the same as previously scheduled except with the addition of the **Apt. #51**.
The additional **35sft** of floor tiles to be abated and as stated above for all new findings at the roof level.

Total ACM to be abated is as follows:

a. **356 lf (linear feet) of pipe insulations.**
b. **10006 sft. (square feet) of surfacing roofing materials.**

7.0 AREAS NOT ACCESSIBLE:
Environmax inspected and sampled materials, which were observable and accessible to the survey team. Any suspect ACM that have not been tested and/or found positive for asbestos, if any, must be assumed ACM until and unless they are tested.

8.0 REPORT CERTIFICATIONS:
Environmax (Kelechi Amadi) certifies that the information contained herein is based on the physical and visual inspections conducted by him and data collected during the inspection survey and file review.

APPENDIX A

9.0 Analytical Results and Chain of Custody
Certificates of Analysis are attached for your information.

Roofs

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405142
CustomerID:	ENVM42
CustomerPO:	CC 092812
ProjectID:	

Attn: **Kelechi Amadi**
Environmax
115-70 Springfield Blvd
Cambria Heights, NY 11411

Phone:	(347) 677-7098
Fax:	(718) 670-3245
Received:	02/08/14 12:32 PM
Analysis Date:	2/10/2014
Collected:	2/7/2014

Project: **101 WEST 78TH STREET MANHATTAN, NY**

Test Report:Asbestos Analysis of Bulk Material

Test	Analyzed Date	Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 1 *031405142-0001*		**Description**	ROOF MEMBRANE/ 1ST LAYER/GRAY/MAIN ROOF		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive : <1%Chrysotile**
					Inconclusive - <1% Total
Sample marked 1-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 2 *031405142-0002*		**Description**	ROOF MEMBRANE/2ND LAYER/BROWN/MAIN ROOF		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**9.0% Chrysotile**
					9.0% Total
Sample marked 1-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 3 *031405142-0003*		**Description**	ROOF MEMBRANE/3RD LAYER/BLACK/MAIN ROOF		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**7.2% Chrysotile**
					7.2% Total
Sample marked 1-3					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 4 *031405142-0004*		**Description**	ROOF MEMBRANE/4TH LAYER/BLACK/ MAIN ROOF		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**7.2% Chrysotile**
					7.2% Total
Sample marked 1-4					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**

Initial Report From 02/10/2014 12:40:56

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405142
CustomerID:	ENVM42
CustomerPO:	CC 092812
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 5 *031405142-0005*		**Description**	ROOF MEMBRANE 1ST LAYER/GRAY/ MAIN ROOF		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
Sample marked 2-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 6 *031405142-0006*		**Description**	ROOF MEMBRANE 2ND LAYER/BROWN/MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 2-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 7 *031405142-0007*		**Description**	ROOF MEMBRANE 3RD LAYER/BLACK/ MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 2-3					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 8 *031405142-0008*		**Description**	ROOF MEMBRANE 4TH LAYER/BLACK/MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 2-4					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 9 *031405142-0009*		**Description**	ROOF MEMBRANE 1ST LAYER/ GRAY/ MAIN ROOF		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
Sample marked 3-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 10 *031405142-0010*		**Description**	ROOF MEMBRANE 2ND LAYER/ BROWN/ MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 3-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**

Initial Report From 02/10/2014 12:40:56

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405142
CustomerID:	ENVM42
CustomerPO:	CC 092812
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 11 *031405142-0011*		**Description** **Homogeneity**	ROOF MEMBRANE 3RD LAYER/ BLACK/ MAIN ROOF		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB Sample marked 3-3	2/10/2014				**Positive Stop (Not Analyzed)**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 12 *031405142-0012*		**Description** **Homogeneity**	ROOF MEMBRANE 4TH LAYER/ BLACK/ MAIN ROOF		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB Sample marked 3-4	2/10/2014				**Positive Stop (Not Analyzed)**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 13 *031405142-0013*		**Description** **Homogeneity**	ROOF MEMBRANE 1ST LAYER/GRAY/ MAIN ROOF Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB Sample marked 4-1	2/10/2014	Black			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 14 *031405142-0014*		**Description** **Homogeneity**	ROOF MEMBRANE 2ND LAYER/ BROWN/ MAIN ROOF		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB Sample marked 4-2	2/10/2014				**Positive Stop (Not Analyzed)**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 15 *031405142-0015*		**Description** **Homogeneity**	ROOF MEMBRANE 3RD / LAYER/ BLACK/ MAIN ROOF		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB Sample marked 4-3	2/10/2014				**Positive Stop (Not Analyzed)**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**

Initial Report From 02/10/2014 12:40:56

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405142
CustomerID:	ENVM42
CustomerPO:	CC 092812
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 16 *031405142-0016*		**Description**	ROOF MEMBRANE 4TH/ LAYER/ BLACK/ MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 4-4					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 17 *031405142-0017*		**Description**	ROOF MEMBRANE 1ST/ LAYER/ GRAY/ MAIN ROOF		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
Sample marked 5-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 18 *031405142-0018*		**Description**	ROOF MEMBRANE 2ND/LAYER/BROWN/ MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 5-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 19 *031405142-0019*		**Description**	ROOF MEMBRANE 3RD LAYER/ BLACK/ MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 5-3					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 20 *031405142-0020*		**Description**	ROOF MEMBRANE 4TH LAYER/ BLACK/ MAIN ROOF		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 5-4					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 21 *031405142-0021*		**Description**	2ND FL OCEAN RESTROOM/ ROOF/ 1ST LAYER		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
Sample marked 6-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**

Initial Report From 02/10/2014 12:40:56

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405142
CustomerID:	ENVM42
CustomerPO:	CC 092812
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 22 *031405142-0022*		**Description** **Homogeneity**	2ND FL OCEAN RESTROOM/ROOF/2ND LAYER Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**5.3% Chrysotile** **5.3% Total**
Sample marked 6-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 23 *031405142-0023*		**Description** **Homogeneity**	2ND OCEAN RESTAURANT/ROOF/3RD LAYER Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**9.0% Chrysotile** **9.0% Total**
Sample marked 6-3					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 24 *031405142-0024*		**Description** **Homogeneity**	2ND FL OCEAN RESTAURANT/ROOF/4TH LAYER Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**10.3% Chrysotile** **10.3% Total**
Sample marked 6-4					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 25 *031405142-0025*		**Description** **Homogeneity**	2ND FL OCEAN RESTAURANT/ 1ST LAYER Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
Sample marked 7-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 26 *031405142-0026*		**Description** **Homogeneity**	2ND FL OCEAN RESTAURANT/2ND LAYER		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 7-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**

Initial Report From 02/10/2014 12:40:56

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405142
CustomerID:	ENVM42
CustomerPO:	CC 092812
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 27 *031405142-0027*		**Description** **Homogeneity**	2ND FL OCEAN RESTAURANT/ROOF/3RD LAYER		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 7-3					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 28 *031405142-0028*		**Description** **Homogeneity**	2ND FL OCEAN RESTAURANT/ROOF/ 4TH LAYER		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 7-4					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 29 *031405142-0029*		**Description** **Homogeneity**	BOILER ROOF 1ST LAYER/ BROWN Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
Sample marked 8-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 30 *031405142-0030*		**Description** **Homogeneity**	BOILER ROOF 2ND LAYER/BLACK Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive : <1%Chrysotile** **Inconclusive - <1% Total**
Sample marked 8-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 31 *031405142-0031*		**Description** **Homogeneity**	BOILER ROOF 1ST LAYER/BROWN Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
Sample marked 9-1					
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**

Initial Report From 02/10/2014 12:40:56

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405142
CustomerID:	ENVM42
CustomerPO:	CC 092812
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 32 *031405142-0032*		**Description** **Homogeneity**	BOILER ROOF 2ND LAYER/ BLACK		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample marked 9-2					
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 33 *031405142-0033*		**Description** **Homogeneity**	BROWN BRICK TAR BEHIND THE PARAPET WALL/WEST Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**13.9% Chrysotile** **13.9% Total**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 34 *031405142-0034*		**Description** **Homogeneity**	BROWN BRICK TAR BEHIND THE PARAPET WALL/CENTER		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 35 *031405142-0035*		**Description** **Homogeneity**	BROWN BRICK TAR BEHIND THE PARAPET WALL/EAST		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**

Analyst(s)
Derrick Young
Kamel Alawawda

James Hall, Laboratory Manager
or other approved signatory

NOB = Non Friable Organically Bound N/A = Not Applicable VCM = Vermiculite Containing Material

-In New York State, TEM is currently the only method that can be used to determine if NOB materials can be considered or treated as non-asbestos containing.
All samples examined for the presence of vermiculite when analyzed via NYS 198.1.
-NYS Guidelines for Vermiculite containing samples are available at http://www.wadsworth.org/labcert/elapcert/forms/VermiculiteInterimGuidance_Rev070913.pdf
EMSL maintains liability limited to cost of analysis. This report relates only to the samples reported above and may not be reproduced, except in full, without written approval by EMSL. EMSL bears no responsibility for sample collection activities or analytical method limitations. Interpretation and use of test results are the responsibility of the client. Samples were received in good condition unless otherwise noted.
This report must not be used by the client to claim product certification, approval, or endorsement by NVLAP, NIST, or any agency of the federal government. This report may contain data that is not covered by the NVLAP accreditation.

Samples analyzed by EMSL Analytical, Inc. New York, NY NYS ELAP 11506

Initial Report From 02/10/2014 12:40:56

Interior

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattaniab@emsl.com

EMSL Order: 031405180
CustomerID: ENVM42
CustomerPO:
ProjectID:

Attn: **Kelechi Amadi**
Environmax
115-70 Springfield Blvd
Cambria Heights, NY 11411

Phone: (347) 677-7098
Fax: (718) 670-3245
Received: 02/08/14 12:31 PM
Analysis Date: 2/10/2014
Collected: 2/7/2014

Project: **101 WEST 78TH STREET/ MANHATTAN NY**

Test Report:Asbestos Analysis of Bulk Material

Test	Analyzed Date	Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 1 *031405180-0001*		**Description**	5TH FLOOR INTERIOR/ HALLWAY NORTH/ RED		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB <1% Residue	2/10/2014	Red			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Red			**None Detected**
Sample ID 2 *031405180-0002*		**Description**	7TH FLOOR INTERIOR/ HALLWAY NORTH/ RED		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB <1% Residue	2/10/2014	Red			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Red			**None Detected**
Sample ID 3 *031405180-0003*		**Description**	6TH FLOOR INTERIOR/ HALLWAY CARPET/ RED/ NORTH		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Red			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Red			**None Detected**
Sample ID 4 *031405180-0004*		**Description**	6TH FLOOR INTERIOR/ HALLWAY CARPET NORTH/ RED		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Red			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Red			**None Detected**
Sample ID 5 *031405180-0005*		**Description**	5TH FLOOR INTERIOR/ HALLWAY NORTH/ RED/ SAME AS - 6TH FL		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB <1% Residue	2/10/2014	Red			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Red			**None Detected**

Initial Report From 02/11/2014 07:07:06

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405180
CustomerID:	ENVM42
CustomerPO:	
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos
Sample ID 6 *031405180-0006*		**Description**	5TH FLOOR INTERIOR/ HALLWAY NORTH CARPET/ RED/ - SAME AS 6TH FL		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Red			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Red			**None Detected**
Sample ID 7 *031405180-0007*		**Description**	INTERIOR CLOSET/ APT #57 WHITE		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**
Sample ID 8 *031405180-0008*		**Description**	INTERIOR CLOSET/ APT #57 WHITE		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**
Sample ID 9 *031405180-0009*		**Description**	APT #57/ KITCHEN PLASTER/ WHITE/ HALL		
		Homogeneity	Homogeneous		
PLM NYS 198.1 Friable	2/10/2014	Black		4.00% Mica 65.00% Ca Carbonate 31.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 10 *031405180-0010*		**Description**	APT #57/ KITCHEN WALL PLASTER/ WHITE		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable	2/10/2014	White		65.00% Ca Carbonate 35.00% Non-fibrous (other)	**None Detected**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB					**Not Analyzed**
TEM NYS 198.4 NOB					**Not Analyzed**
Sample ID 11 *031405180-0011*		**Description**	APT #54/ CLOSET FLOOR BLACK/ WHITE VCT 12 X 12		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**

Initial Report From 02/11/2014 07:07:06

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405180
CustomerID:	ENVM42
CustomerPO:	
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 12 *031405180-0012*		**Description**	APT #24/ CLOSET FLOOR VCT 12 X 12/ WHITE		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**
Sample ID 13 *031405180-0013*		**Description**	APT #51/ LIVING ROOM VCT 12 X 12		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**
Sample ID 14 *031405180-0014*		**Description**	APT #51/ LIVING ROOM VCT 12 X 12		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**
Sample ID 15 *031405180-0015*		**Description**	APT #51/ KITCHEN FLOOR VCT 12 X 12 GREEN		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 16 *031405180-0016*		**Description**	APT #51/ KITCHEN FLOOR VCT 12 X 12 GREEN		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Black			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Black			**None Detected**
Sample ID 17 *031405180-0017*		**Description**	APT #51/ BATHROOM INTERIOR YELLOW		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**5.2% Chrysotile** **5.2% Total**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**

Initial Report From 02/11/2014 07:07:06

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405180
CustomerID:	ENVM42
CustomerPO:	
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test		Color	Non Asbestos Fibrous	Non-Fibrous	Asbestos
Sample ID 18 *031405180-0018*		**Description**	APT #51/ BATHROOM INTERIOR YELLOW		
		Homogeneity			
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
TEM NYS 198.4 NOB	2/10/2014				**Positive Stop (Not Analyzed)**
Sample ID 19 *031405180-0019*		**Description**	APT #44 CLOSET INTERIOR VCT 12 X 12		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**
Sample ID 20 *031405180-0020*		**Description**	APT #44 CLOSET INTERIOR VCT 12 X 12		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	White			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	White			**None Detected**
Sample ID 21 *031405180-0021*		**Description**	APT #33/ FLOOR MASTIC		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Brown			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Brown			**None Detected**
Sample ID 22 *031405180-0022*		**Description**	APT #33/ FLOOR MASTIC		
		Homogeneity	Heterogeneous		
PLM NYS 198.1 Friable					**Not Analyzed**
PLM NYS 198.6 VCM					**Not Analyzed**
PLM NYS 198.6 NOB	2/10/2014	Brown			**Inconclusive: None Detected**
TEM NYS 198.4 NOB	2/10/2014	Brown			**None Detected**

Initial Report From 02/11/2014 07:07:06

EMSL Analytical, Inc.
307 West 38th Street, New York, NY 10018
Phone/Fax: (212) 290-0051 / (212) 290-0058
http://www.EMSL.com manhattanlab@emsl.com

EMSL Order:	031405180
CustomerID:	ENVM42
CustomerPO:	
ProjectID:	

Test Report:Asbestos Analysis of Bulk Material

Test	Color	Non Asbestos Fibrous	Non Asbestos Non-Fibrous	Asbestos

Analyst(s)

Albert Grohmann *Kamel Alawawda*
Derrick Young
Emily Myint

James Hall, Laboratory Manager
or other approved signatory

NOB = Non Friable Organically Bound N/A = Not Applicable VCM = Vermiculite Containing Material

-In New York State, TEM is currently the only method that can be used to determine if NOB materials can be considered or treated as non-asbestos containing.
All samples examined for the presence of vermiculite when analyzed via NYS 198.1.
-NYS Guidelines for Vermiculite containing samples are available at http://www.wadsworth.org/labcert/elapcert/forms/VermiculiteInterimGuidance_Rev070913.pdf
EMSL maintains liability limited to cost of analysis. This report relates only to the samples reported above and may not be reproduced, except in full, without written approval by EMSL. EMSL bears no responsibility for sample collection activities or analytical method limitations. Interpretation and use of test results are the responsibility of the client. Samples were received in good condition unless otherwise noted.
This report must not be used by the client to claim product certification, approval, or endorsement by NVLAP, NIST, or any agency of the federal government. This report may contain data that is not covered by the NVLAP accreditation.

Samples analyzed by EMSL Analytical, Inc. New York, NY NYS ELAP 11506

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU0357MN14

Premise Address 101 West 78th Street Borough Manhattan Zip 10024

DEP Asbestos Control Program is in receipt of the following document (s)

- [x] Project Monitor's Report
- [ ] A-TR1 form filed by Registered Design Professional

Based on the above submitted documentation the Department is issuing the

- [ ] Project Completion Form (entire project)
- [X] Project Completion Form (partial project)

(See next page for the list of closed-out location(s) of abatement)

DEP hereby acknowledges that it has received the above documentation required pursuant to section 1-22(b) of the DEP Asbestos Rules (15 RCNY Chapter 1) for the completion of this project. Please note that the issuance of this Form is not a certification that the asbestos project was performed in accordance with the DEP Asbestos Rules or that the building is free of asbestos containing material. This Form is issued based on representations contained in documentation submitted by the applicant, or other relevant party.

Date: July 17, 2014

Signature

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU0357MN14

Premise Address 101 West 78th Street Borough Manhattan Zip 10024

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
1	Boiler Room Roof	Roofing Membrane	600		
3	Ocean Restaurant Roof	Perimeter Flashing Membrane	104		
3	Ocean Restaurant Roof	Roofing Membrane	96		
Roof		Roofing and Flashing Membrane	9,171		
		TOTAL ACM	9,971		

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

TRU0357MN14

Premise Address 101 West 78th Street Borough Manhattan Zip 10024

DEP Asbestos Control Program is in receipt of the following document (s)

- [x] Project Monitor's Report
- [ ] A-TR1 form filed by Registered Design Professional

Based on the above submitted documentation the Department is issuing the

- [ ] Project Completion Form (entire project)
- [X] Project Completion Form (partial project)

(See next page for the list of closed-out location(s) of abatement)

DEP hereby acknowledges that it has received the above documentation required pursuant to section 1-22(b) of the DEP Asbestos Rules (15 RCNY Chapter 1) for the completion of this project. Please note that the issuance of this Form is not a certification that the asbestos project was performed in accordance with the DEP Asbestos Rules or that the building is free of asbestos containing material. This Form is issued based on representations contained in documentation submitted by the applicant, or other relevant party.

Date: June 23, 2014

Signature

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION

Asbestos Control Program

59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373

ASBESTOS PROJECT COMPLETION FORM- ACP21

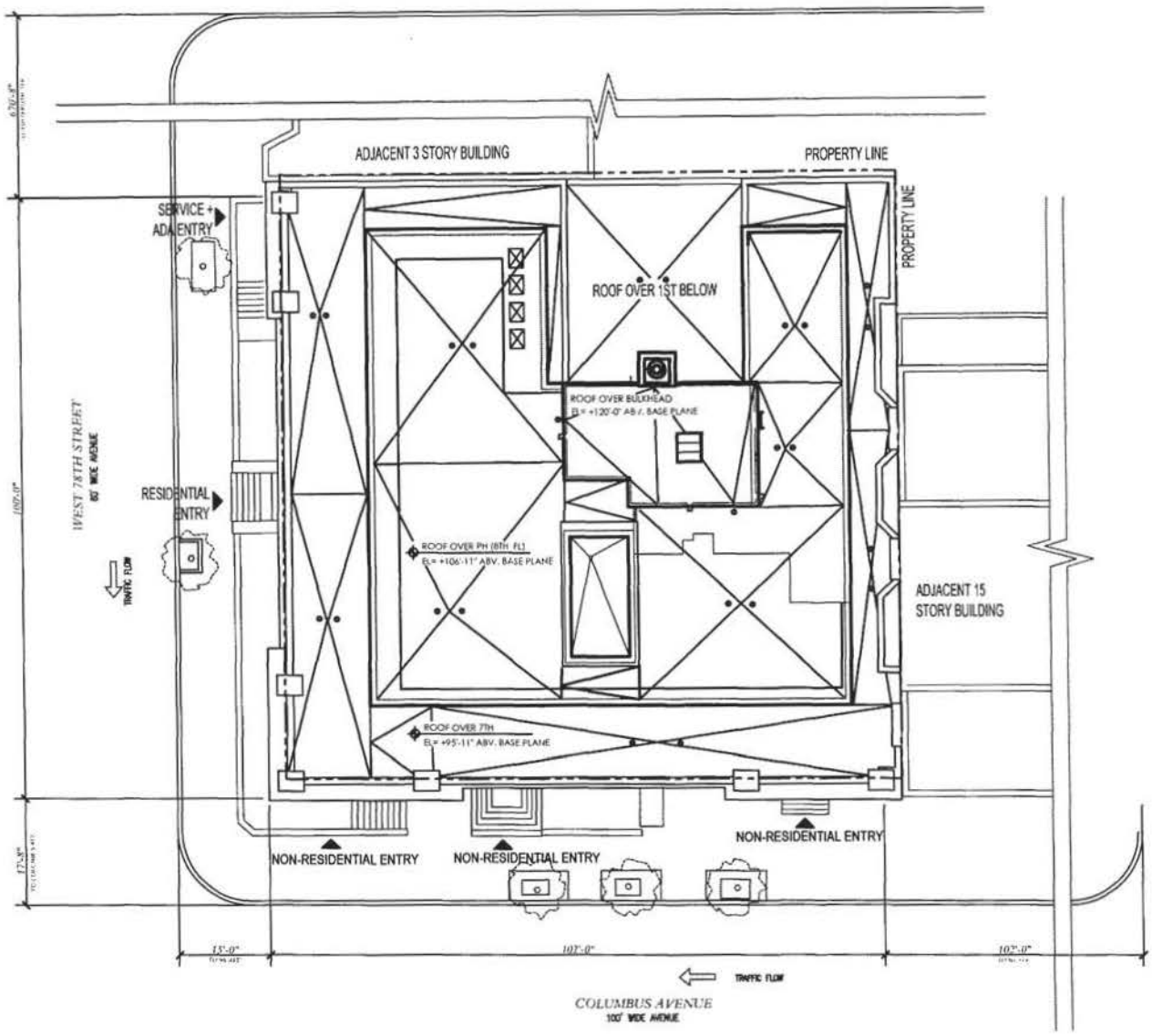
TRU0357MN14

Premise Address 101 West 78th Street Borough Manhattan Zip 10024

CLOSED-OUT LOCATION(S) OF ABATEMENT

Floor	Section of Floor	Type of Asbestos Containing Material	Amount of ACM		DOB Job Number(s) (if applicable)
			Square Feet	Linear Feet	
Cellar	Boiler Room	Pipe Insulation		120	
Cellar	Elevator Room	Pipe Insulation		2	
Cellar	Oil Storage Room	Pipe Insulation		110	
7	Ceiling Soffit	Pipe Insulation		95	
5	Apartment 51 Bathroom	Vinyl Floor Tiles	35		
		TOTAL ACM	35	327	

FLOOR PLANS



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC

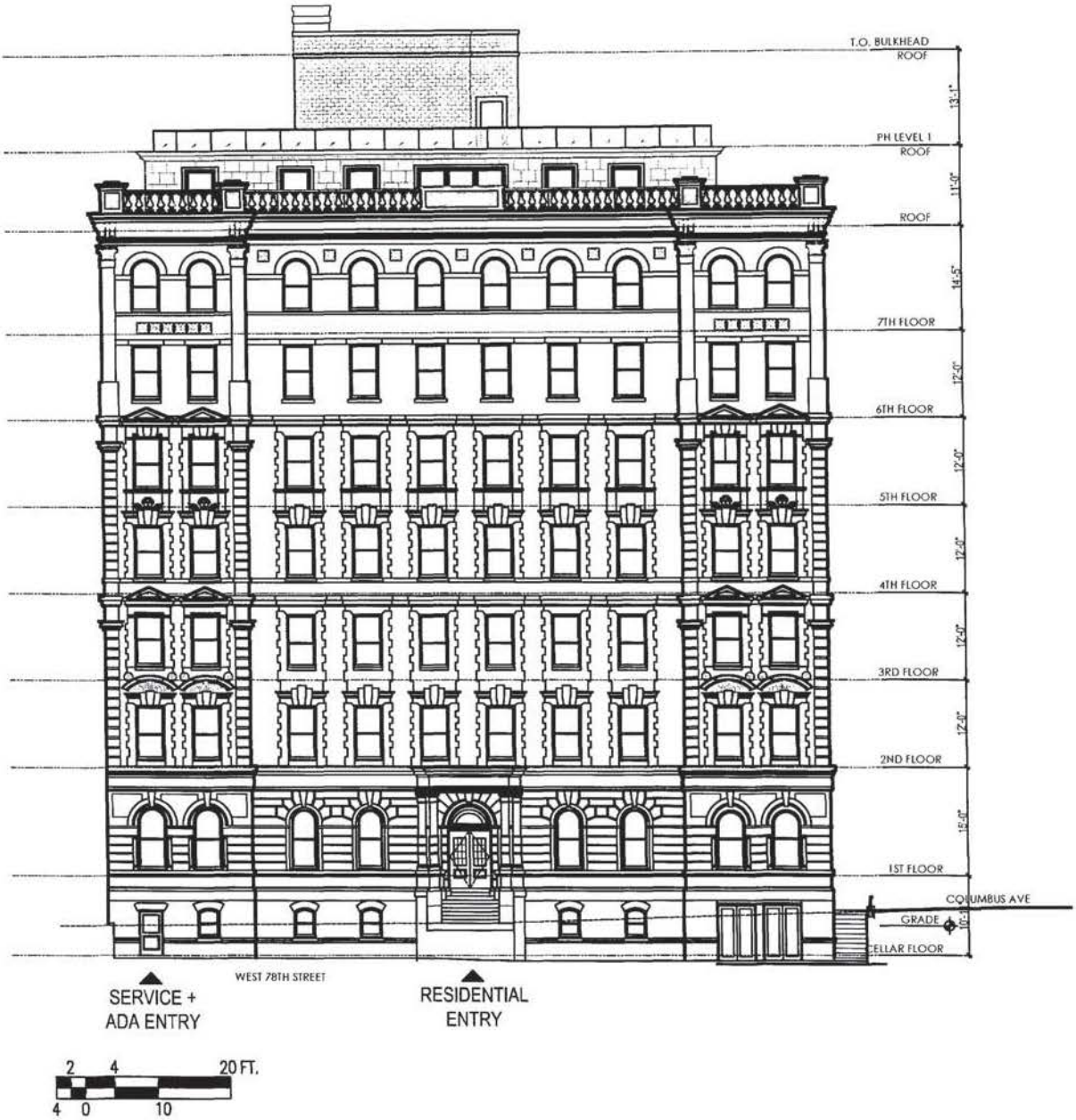
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Site Plan

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: Site



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Elevation South

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: Elev

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Elevation East

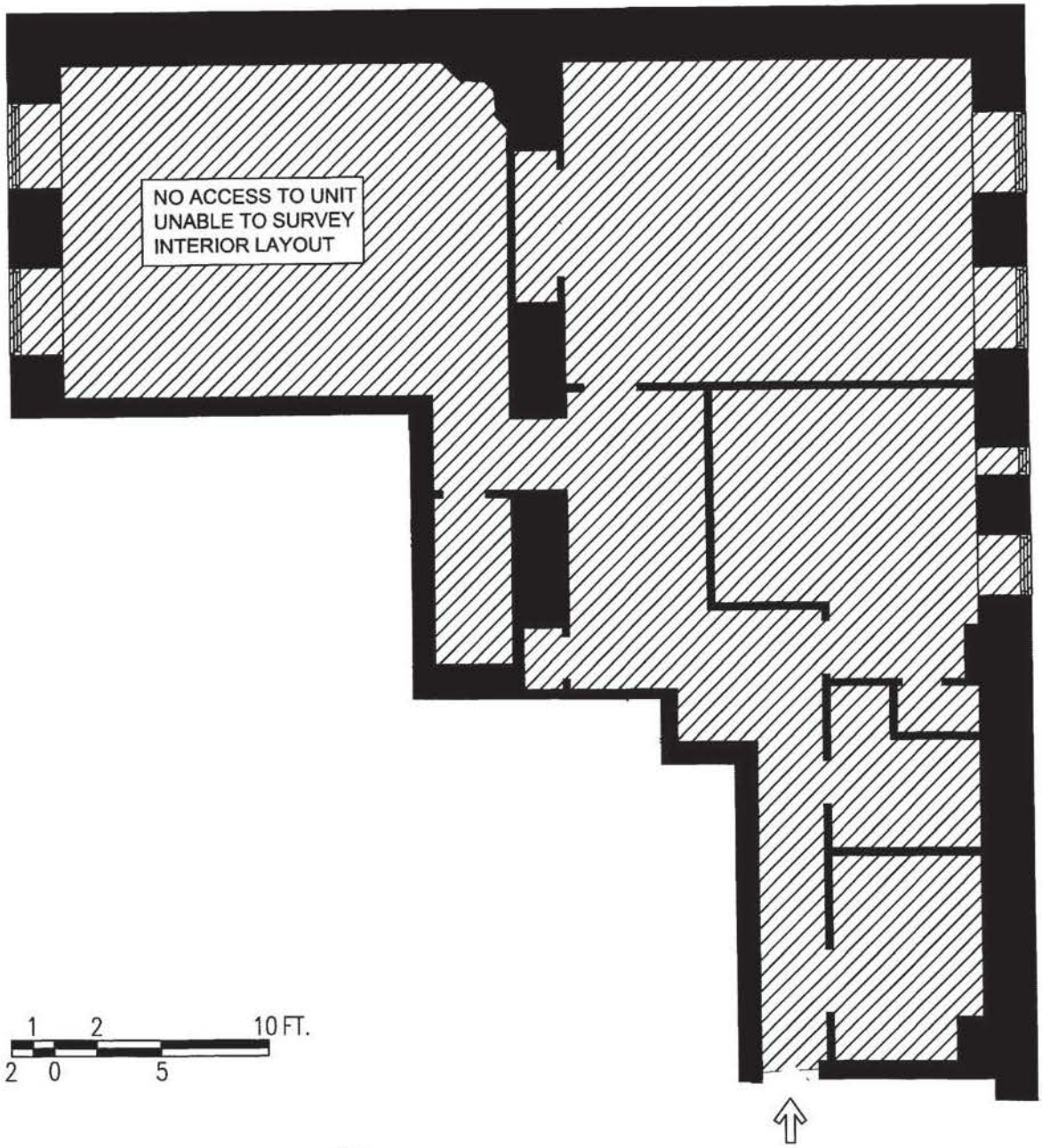
project number: 13029

date: 07.23.2014

scale: AS NOTED

drawn by: KBR checked by: DEG

drawing number: Elev



1 2 10 FT.
2 0 5

KEY PLAN:

101 West 78th Street
Residence 3A 4A
2 Bedroom 1 Bath
1,523 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

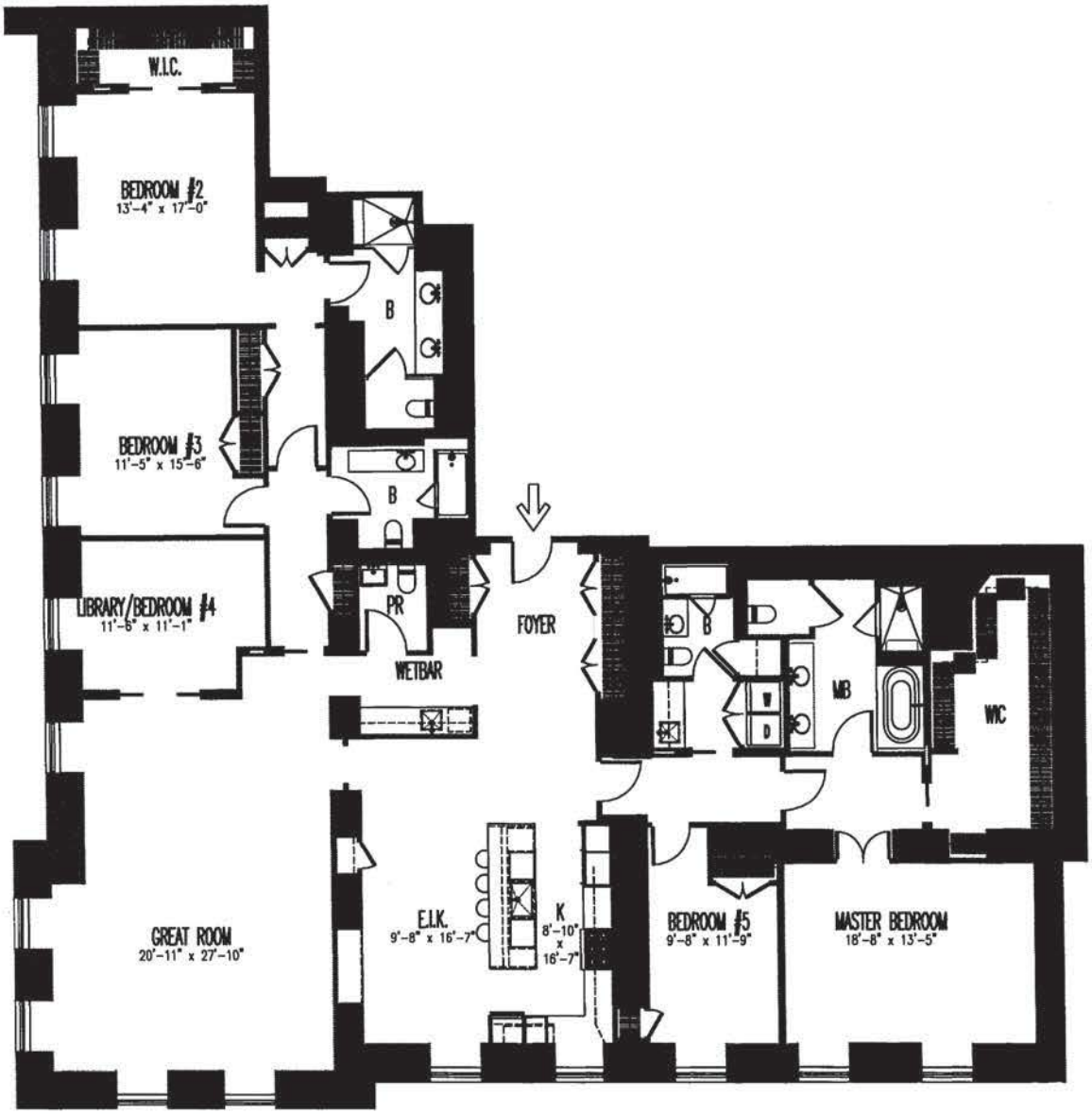
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

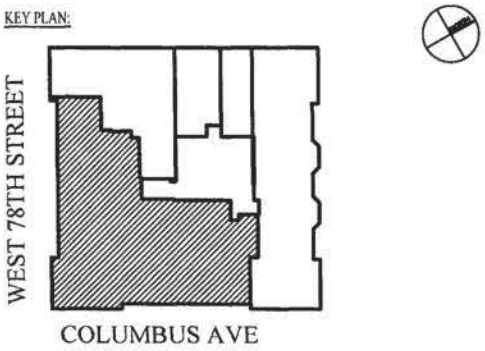
drawing title: Residence 3, 4A

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 3,4A



KEY PLAN:



101 West 78th Street

Residences 3B

4 Bedroom, Library, 4 1/2 Bath

4,130 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residences 3B

project number: 13029

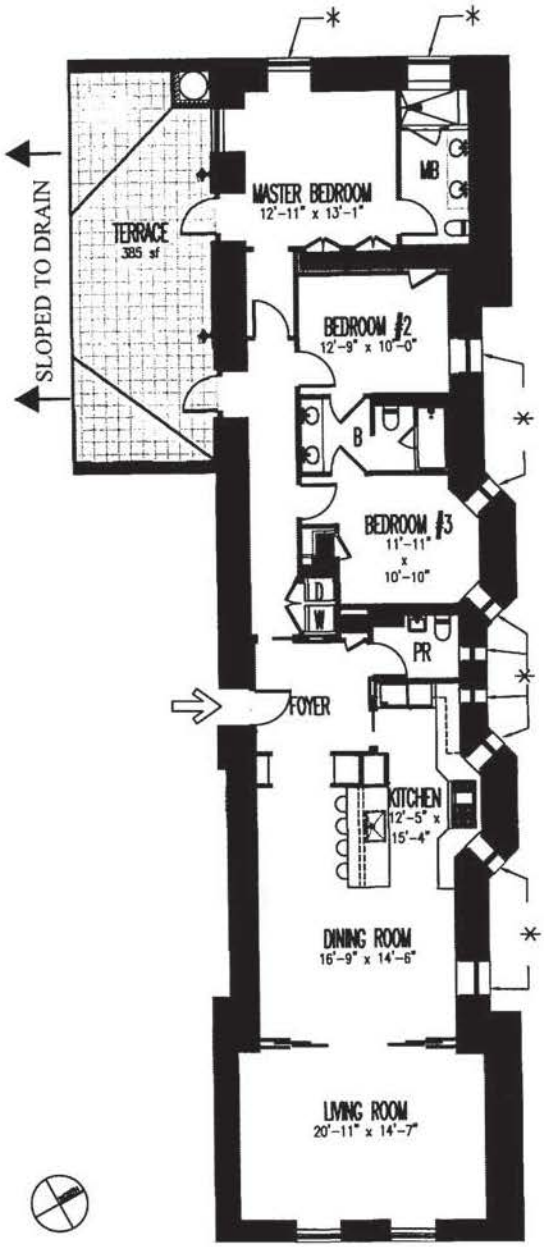
date: 07.23.2014

scale: AS NOTED

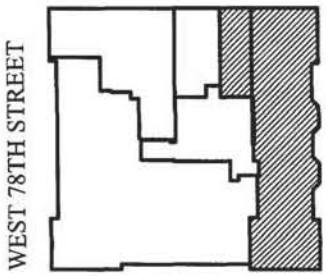
drawn by: KBR

checked by: DEG

drawing number: 3B



KEY PLAN:



101 West 78th Street

Residence 3C

3 Bedroom 2 1/2 Bath

2,345 sf + 385 sf terrace

* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 ~~7th Ave Suite 220~~
~~New York, NY 10001~~
~~212 695 3117 Main~~
~~212 695 3118 Fax~~
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 3C

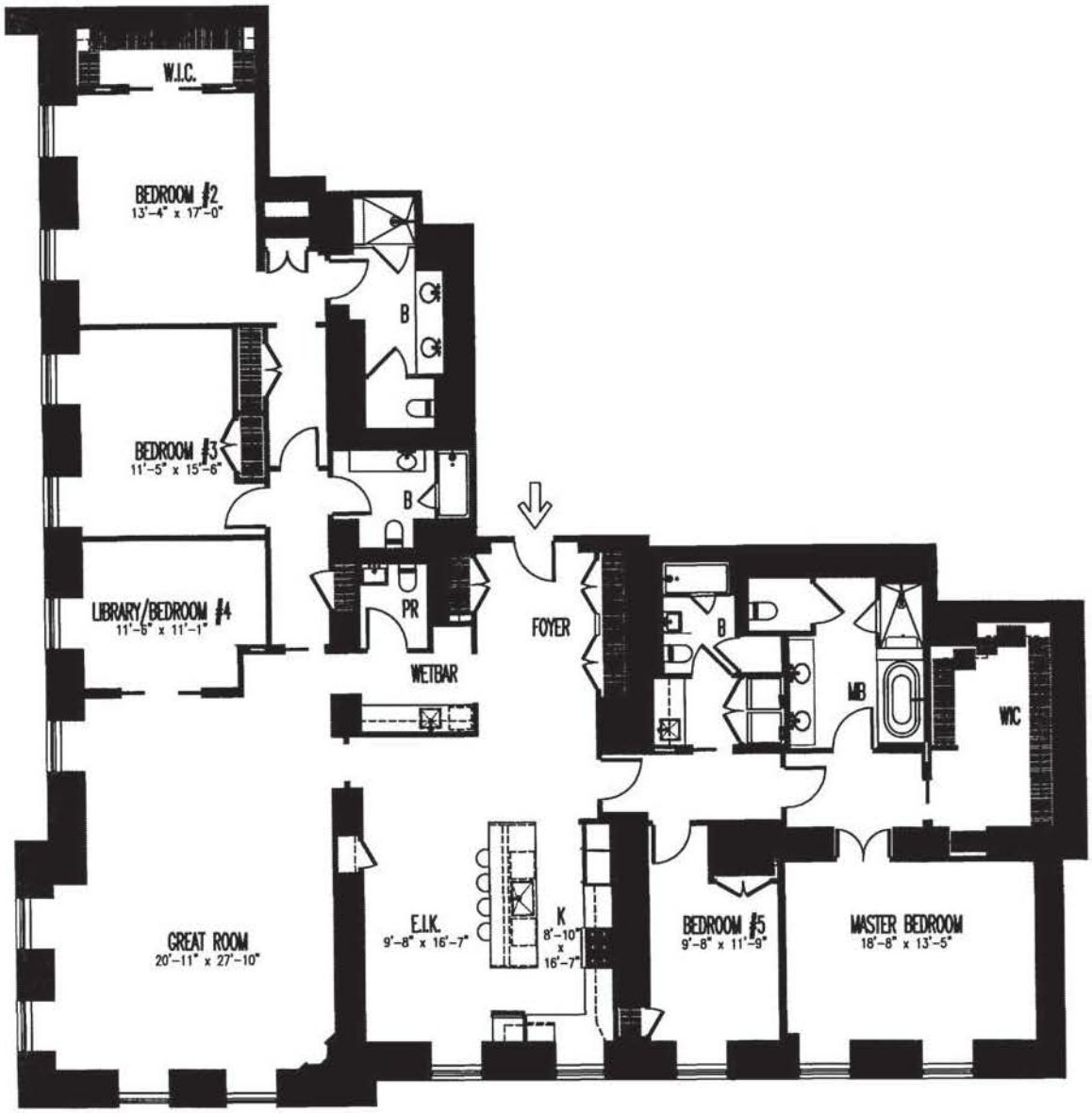
project number: 13029

date: 07.23.2014

scale: AS NOTED

drawn by: KBR checked by: DEG

drawing number: 3C



KEY PLAN:

101 West 78th Street

Residence 4B
4 Bedroom, Library, 4 1/2 Bath
4,104 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC

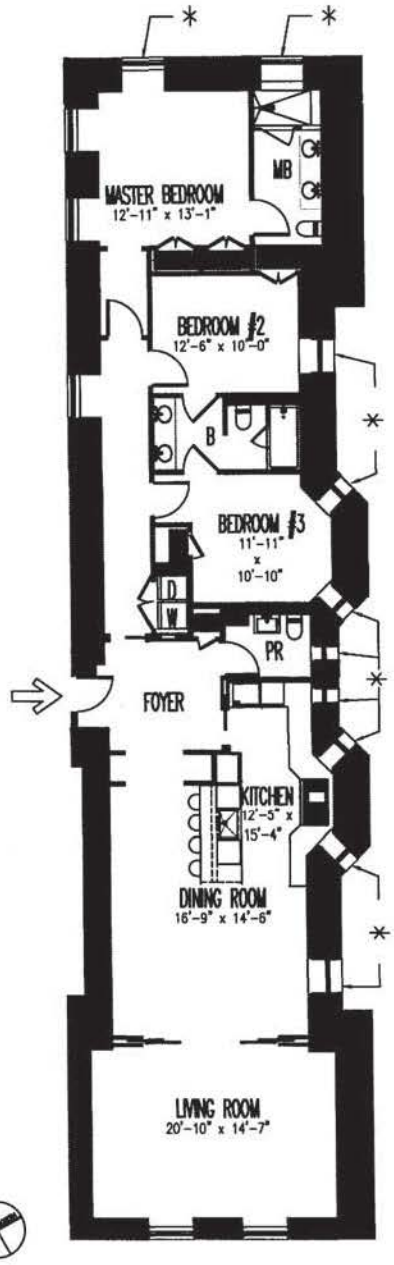
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 4B

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 4B



KEY PLAN:

101 West 78th Street

Residence 4C & 5C

3 Bedroom 2 1/2 Bath

2,345 sf

* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 4C & 5C

project number: 13029

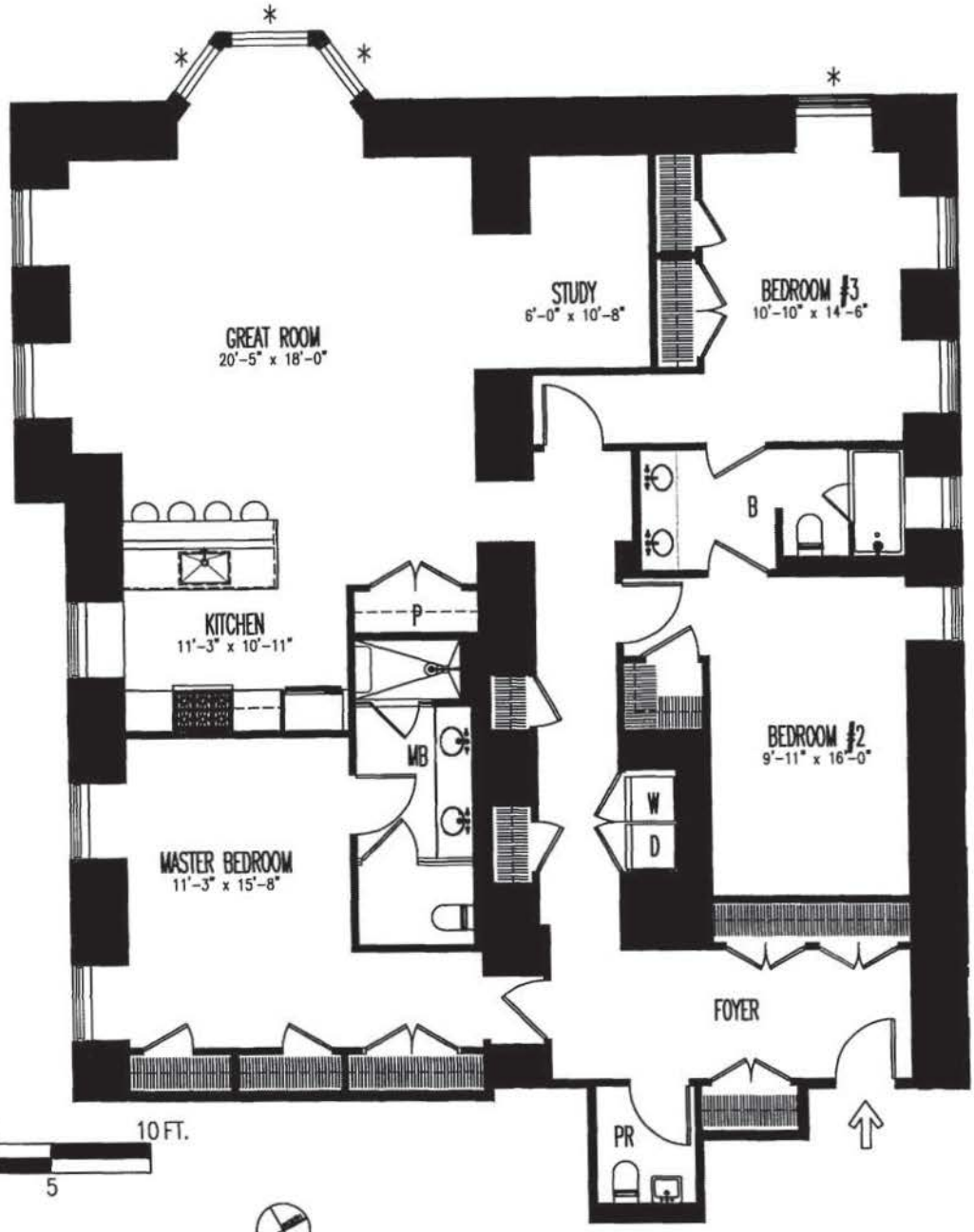
date: 07.23.2014

scale: AS NOTED

drawn by: KBR

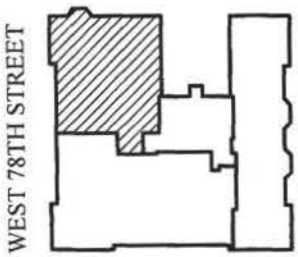
checked by: DEG

drawing number: 4,5C



1 2 10 FT.
2 0 5

KEY PLAN:



101 West 78th Street

Residence 5A
3 Bedroom 2-1/2 Bath
2,369 sf
* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC

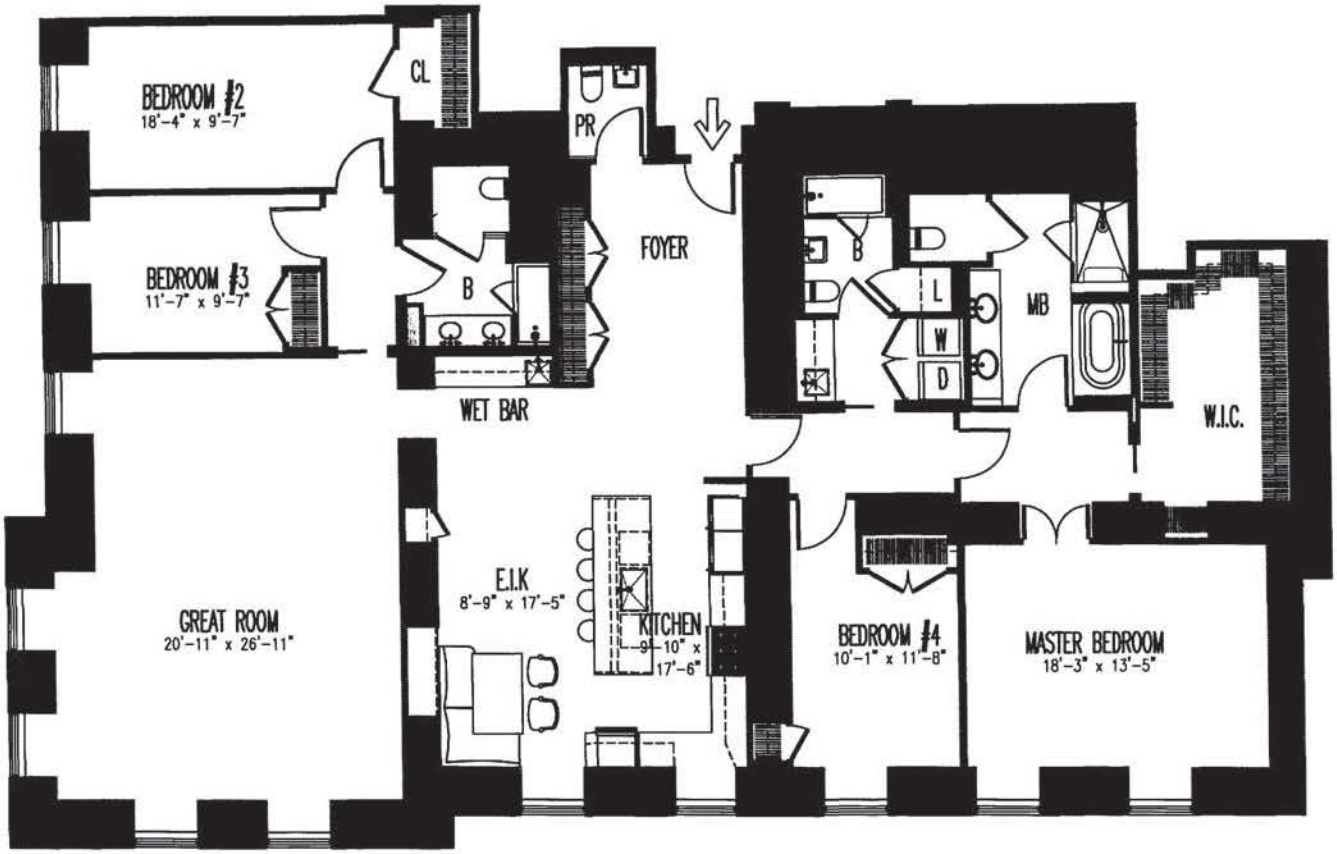
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 5A

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 5A



KEY PLAN:

101 West 78th Street

Residence 5B
4 Bedroom 3-1/2 Baths
3,302 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC

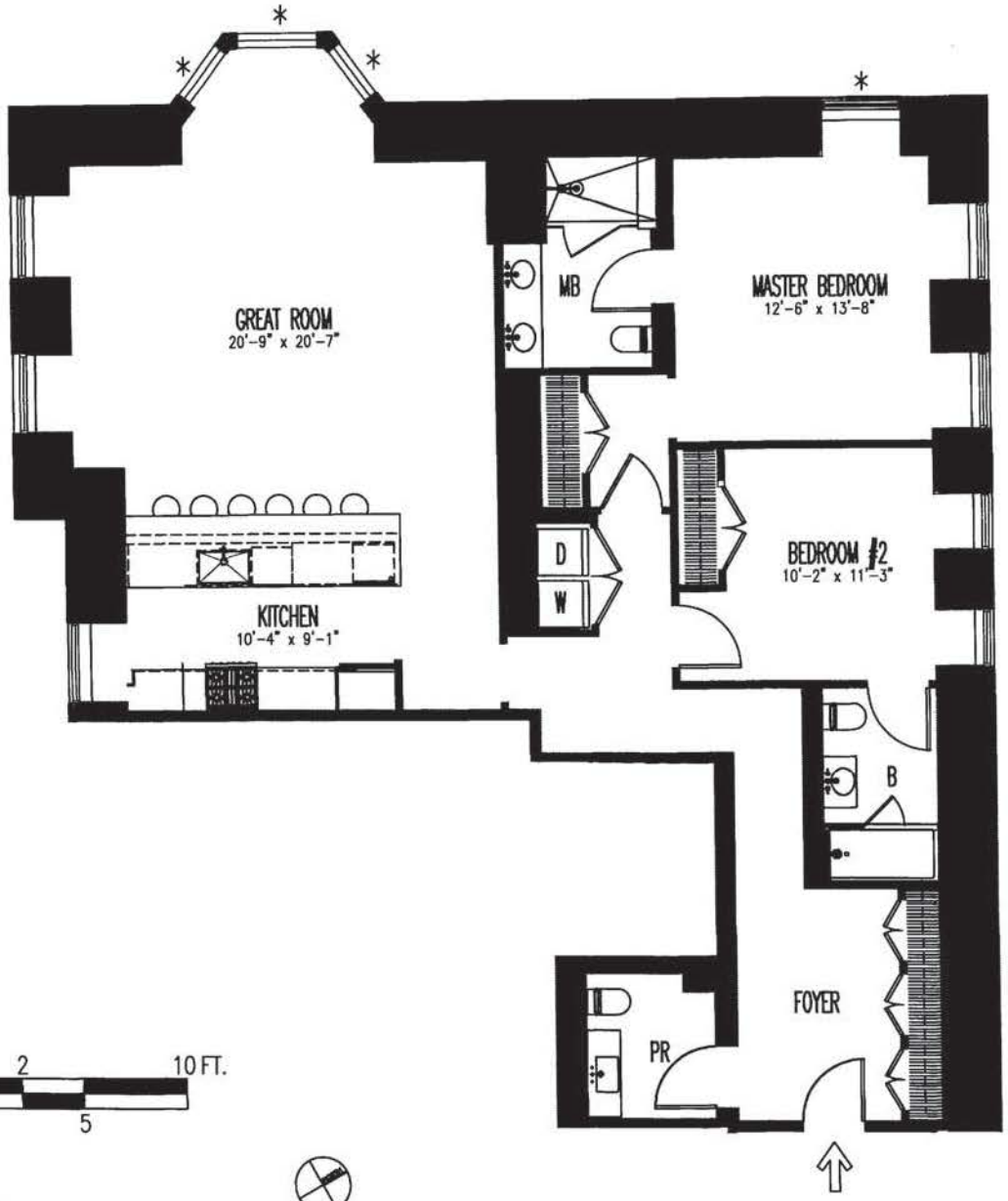
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

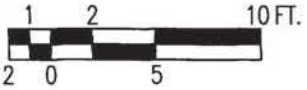
project: 101 WEST 78

drawing title: Residence 5B

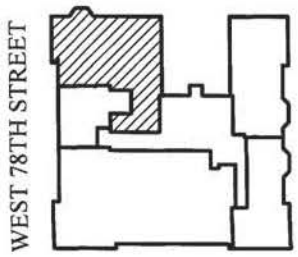
project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 5B





KEY PLAN:



101 West 78th Street

Residence 6A

2 Bedroom 2 1/2 Bath

1,776 sf

* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 6A

project number: 13029

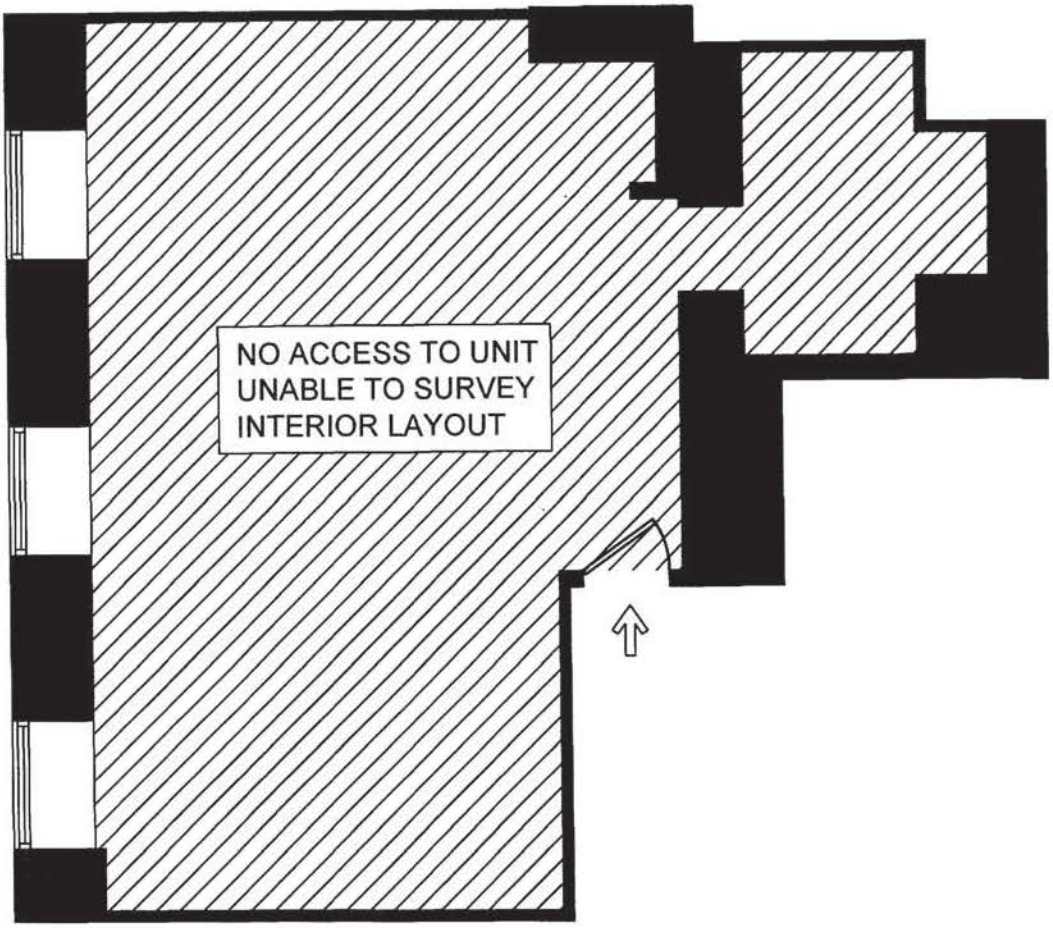
date: 07.23.2014

scale: AS NOTED

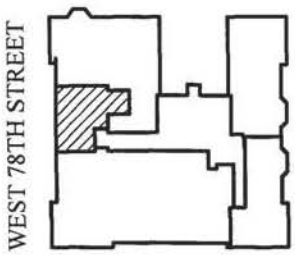
drawn by: KBR

checked by: DEG

drawing number: 6A



KEY PLAN:



101 West 78th Street

Residence 6B
1 Bedroom 1 Bath
681 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

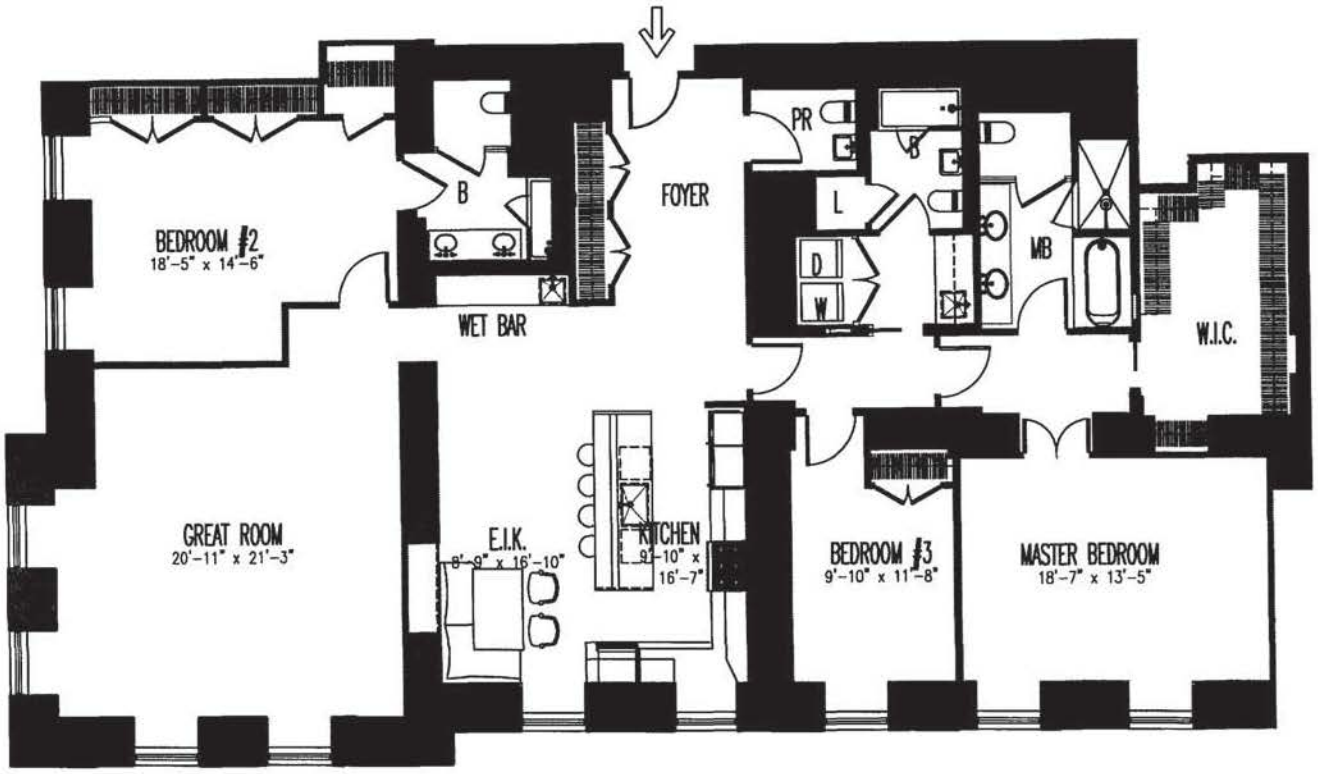
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 6B

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 6B



KEY PLAN:

101 West 78th Street

Residence 6C

3 Bedroom 3 1/2 Bath

3,035 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 6C

project number: 13029

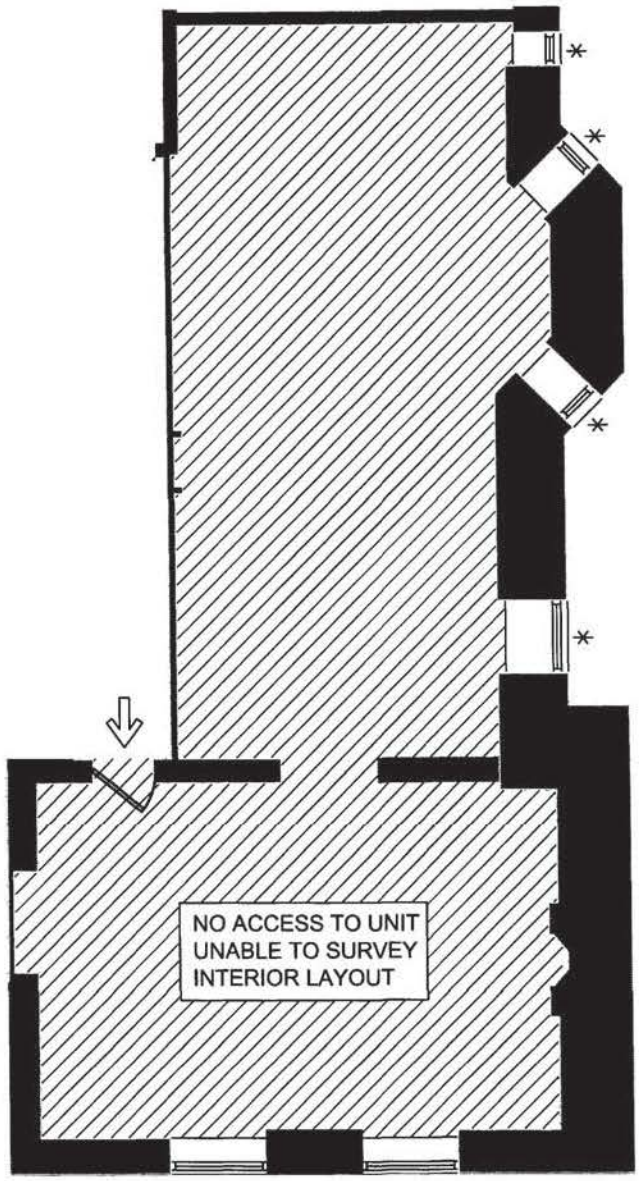
date: 07.23.2014

scale: AS NOTED

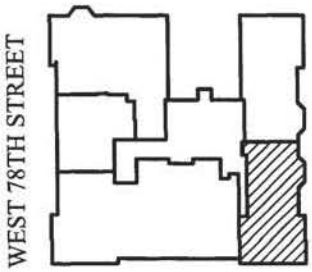
drawn by: KBR

checked by: DEG

drawing number: 6C



KEY PLAN:



101 West 78th Street

Residences 6D & 7E
1 Bedroom 1 Full Bath
974 sf
* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

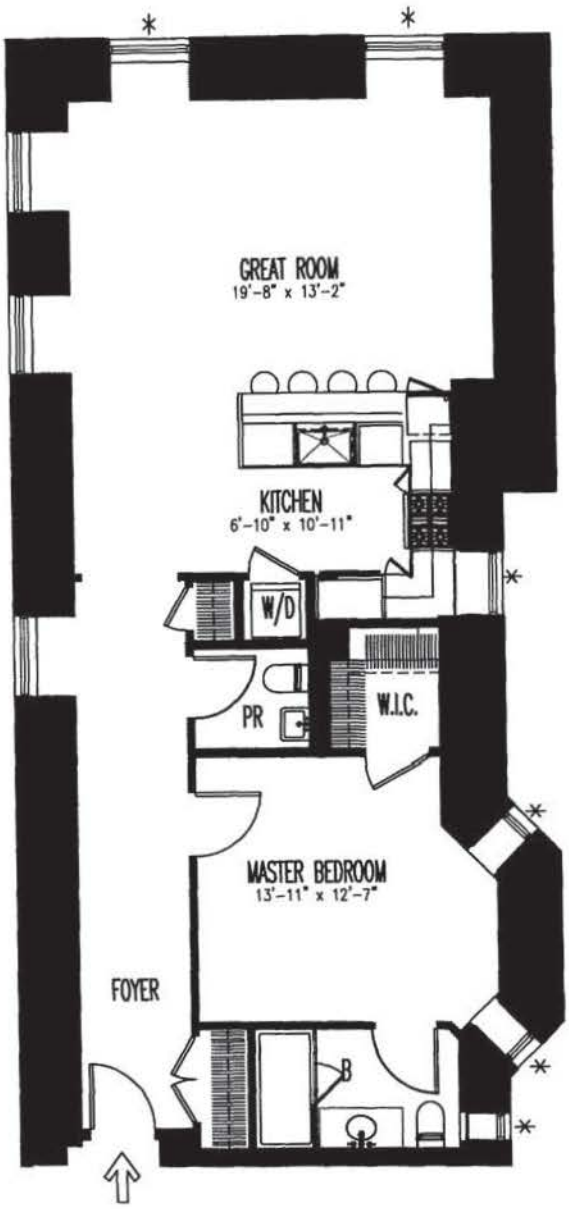
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

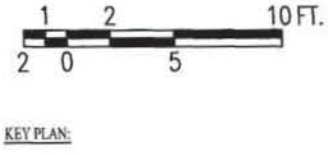
project: 101 WEST 78

drawing title: Residences 6D & 7E

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 6D,7E





KEY PLAN:

101 West 78th Street

Residences 6E, 7F, & 8G

1 Bedroom 1 1/2 Bath

1,231 sf

* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residences 6E,7F,8G

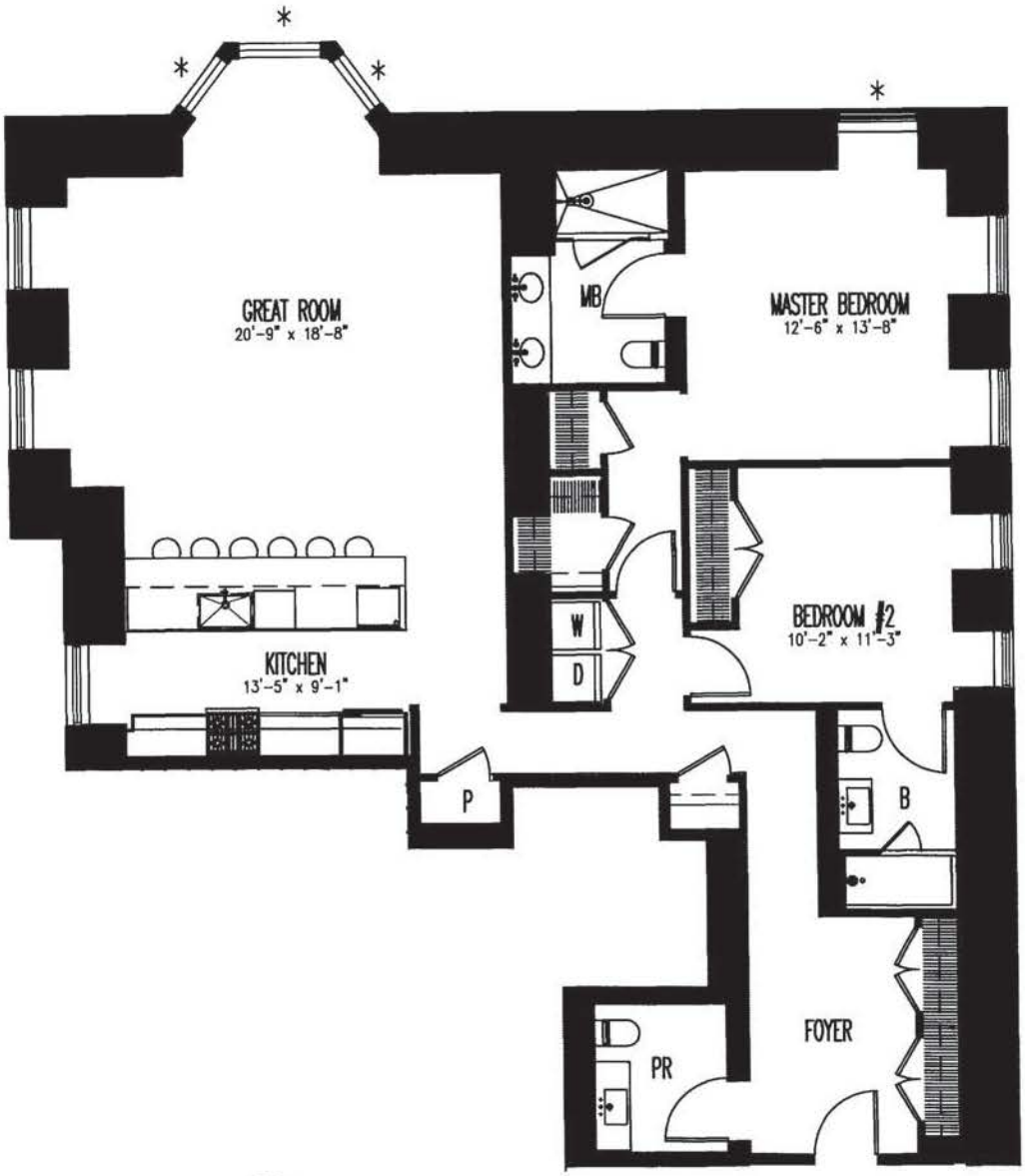
project number: 13029

date: 07.23.2014

scale: AS NOTED

drawn by: KBR checked by: DEG

drawing number: 6E,7F, & 8G



KEY PLAN:

101 West 78th Street

Residence 7A

2 Bedroom 2 1/2 Bath

1,842 sf

* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 7A

project number: 13029

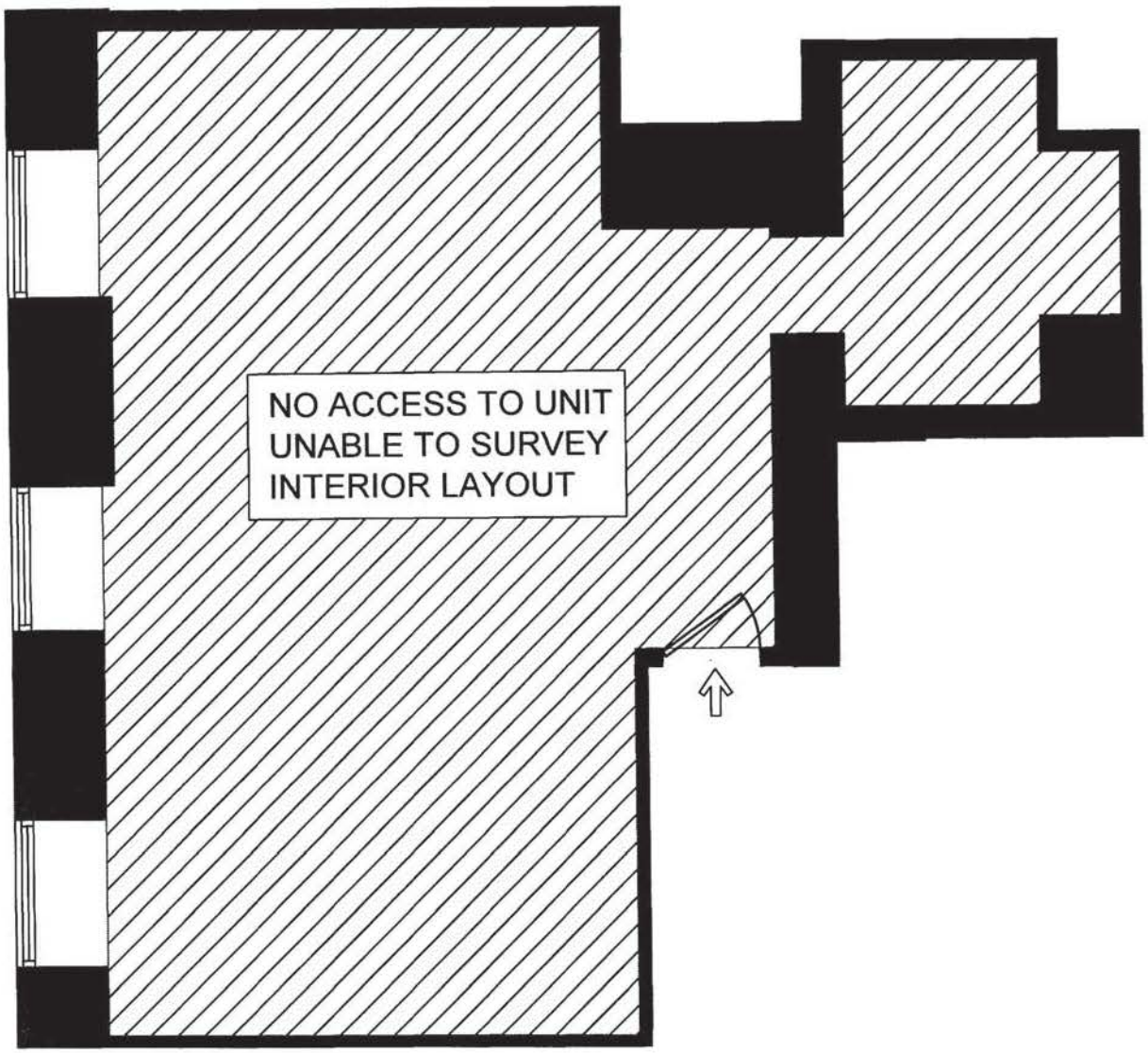
date: 07.23.2014

scale: AS NOTED

drawn by: KBR

checked by: DEG

drawing number: 7A



KEY PLAN:

101 West 78th Street

Residence 7B

1 Bedroom, 1 Bath

615 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 7B

project number: 13029

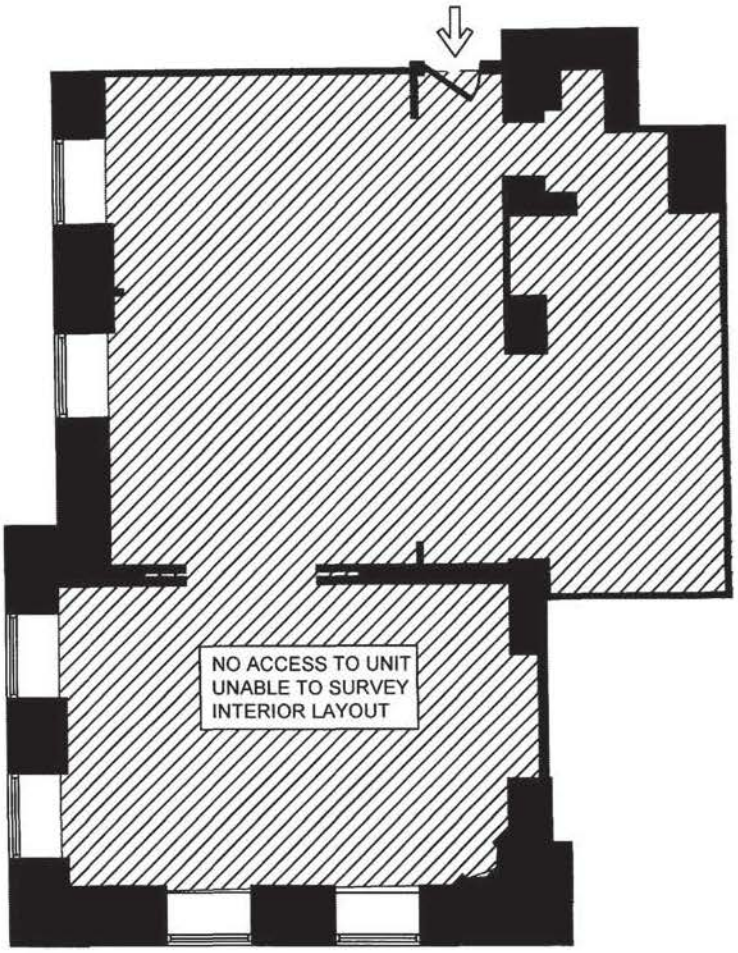
date: 07.23.2014

scale: AS NOTED

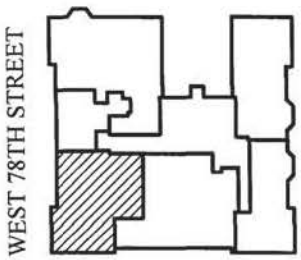
drawn by: KBR

checked by: DEG

drawing number: 7B



KEY PLAN:



101 West 78th Street

Residence 7C

2 Bedroom, 1 Bath

1,175 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 7C

project number: 13029

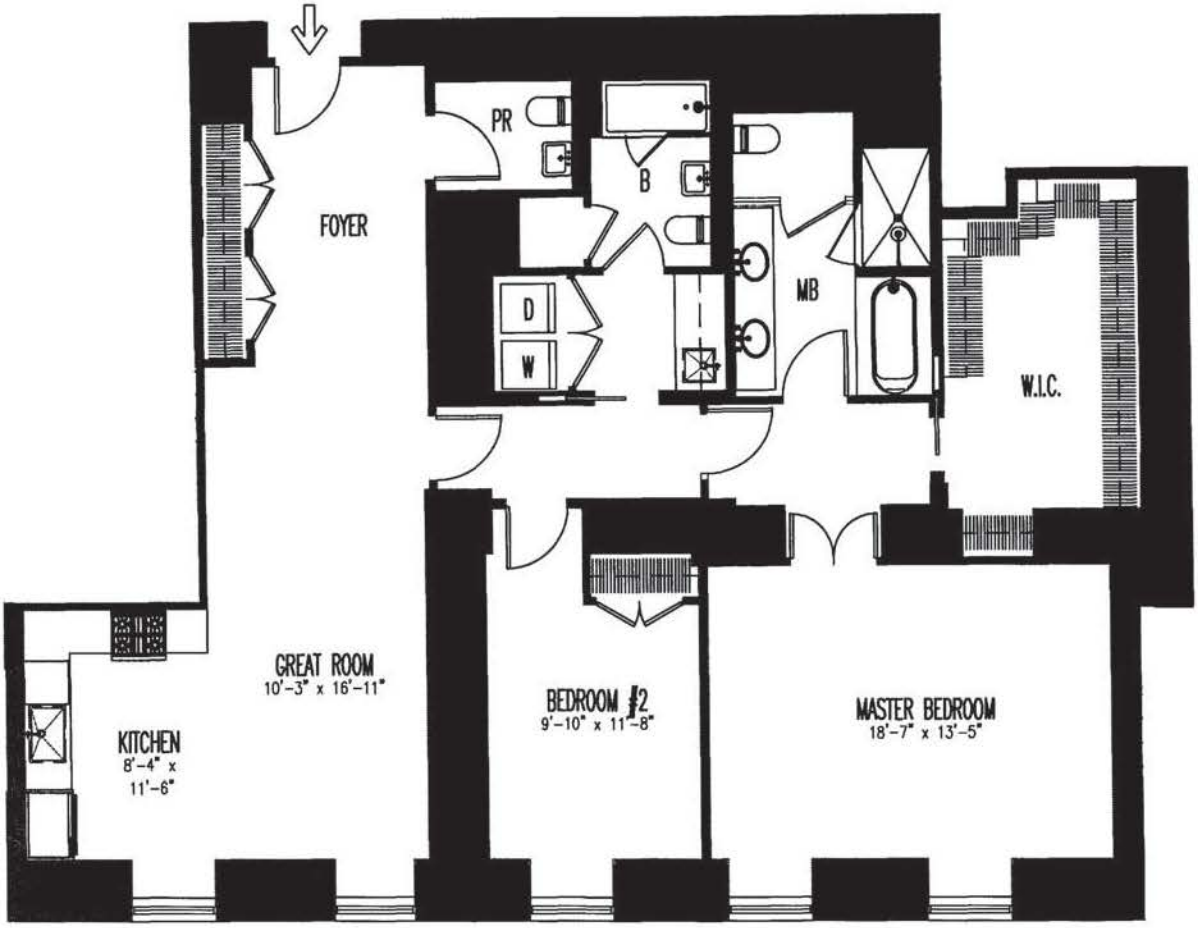
date: 07.23.2014

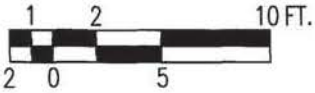
scale: AS NOTED

drawn by: KBR

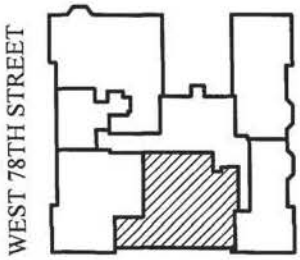
checked by: DEG

drawing number: 7C





KEY PLAN:



101 West 78th Street

Residence 7D

2 Bedroom 2 1/2 Bath

1,860 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 7D

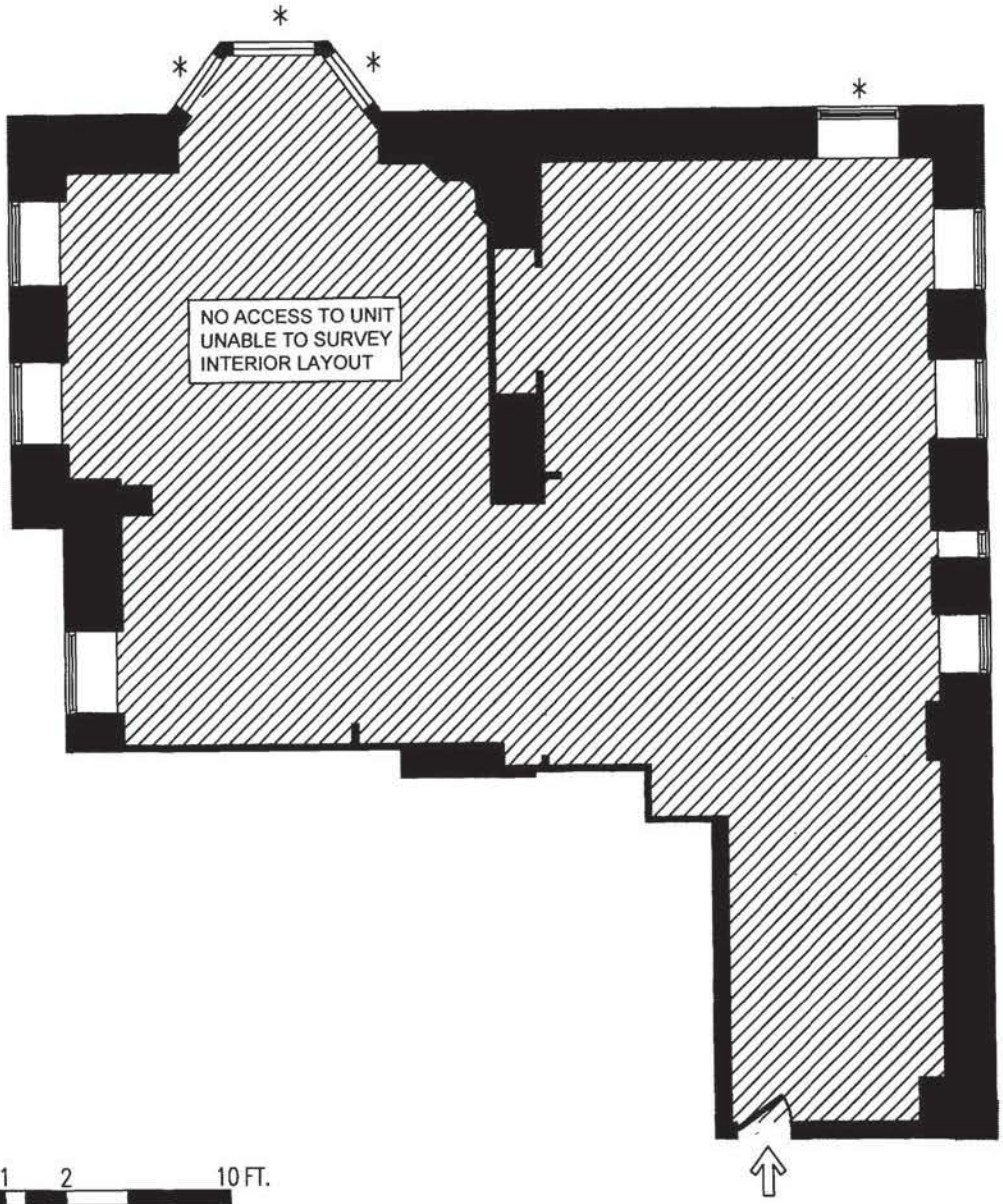
project number: 13029

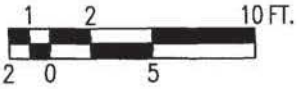
date: 07.23.2014

scale: AS NOTED

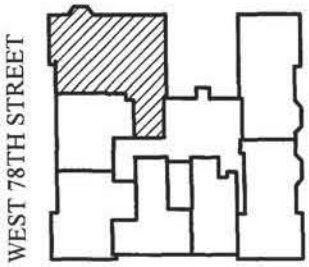
drawn by: KBR checked by: DEG

drawing number: 7D





KEY PLAN:



101 West 78th Street

Residence 8A
3 Bedroom 1 Bath
1,727 sf
* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

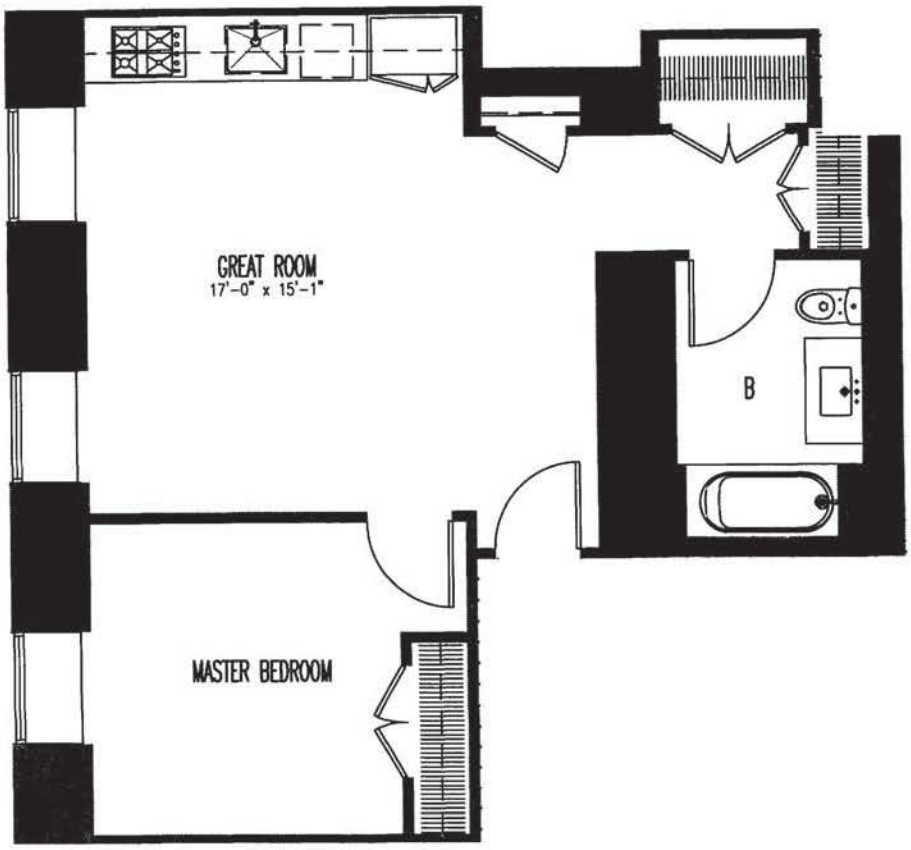
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

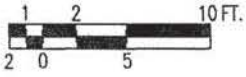
project: 101 WEST 78

drawing title: Residence 8A

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 8A





KEY PLAN:

101 West 78th Street

Residence 8B

1 Bedroom 1 Bath

721 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 8B

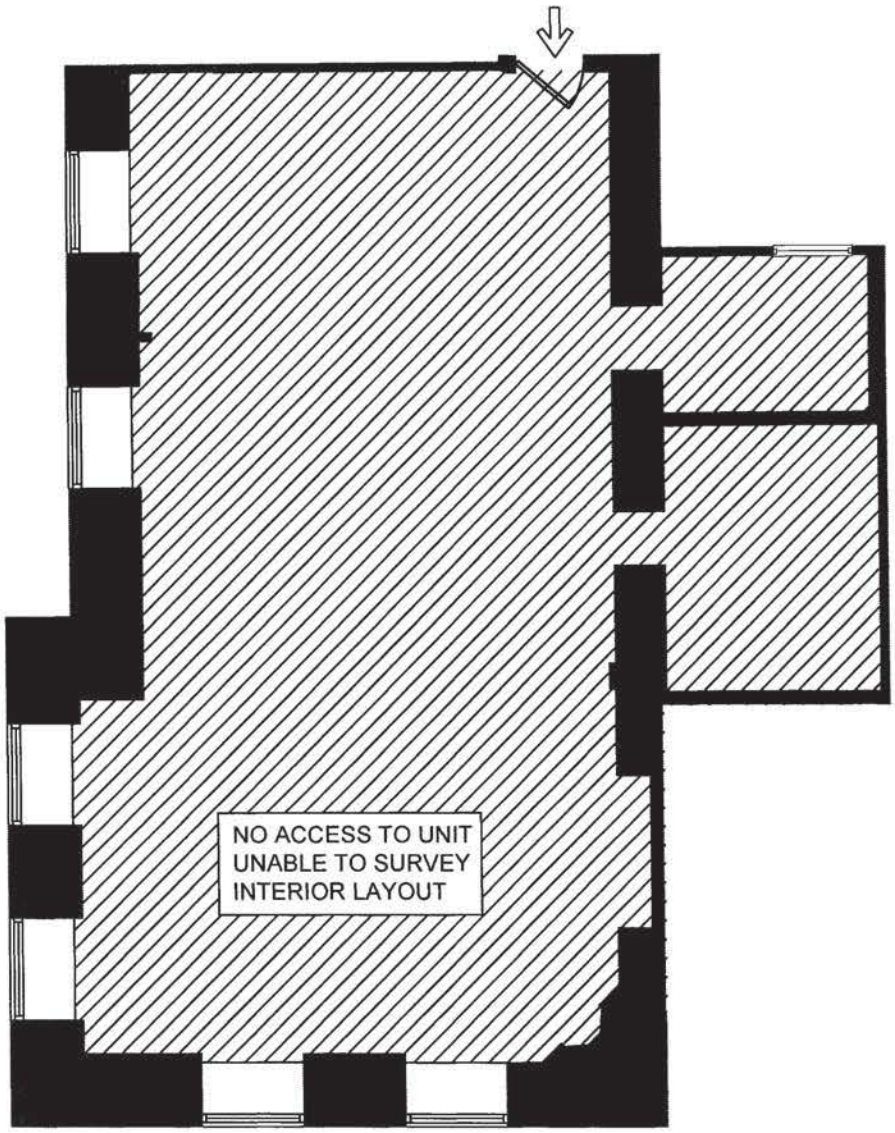
project number: 13029

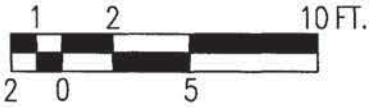
date: 07.23.2014

scale: AS NOTED

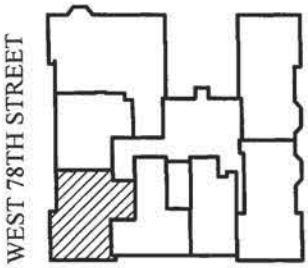
drawn by: KBR checked by: DEG

drawing number: 8B





KEY PLAN:



101 West 78th Street

Residence 8C

2 Bedroom 1 Bath

1,227 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 8C

project number: 13029

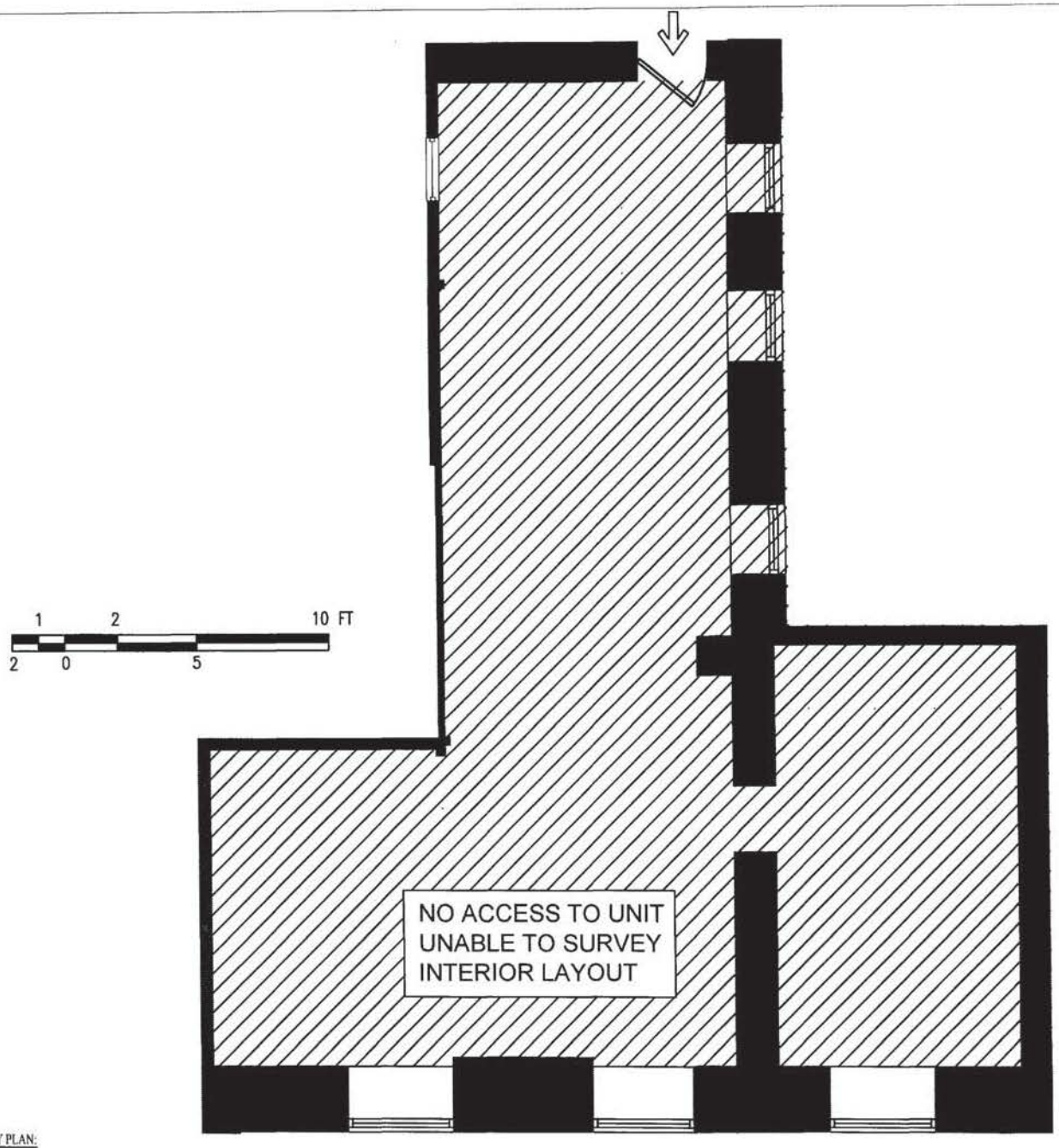
date: 07.23.2014

scale: AS NOTED

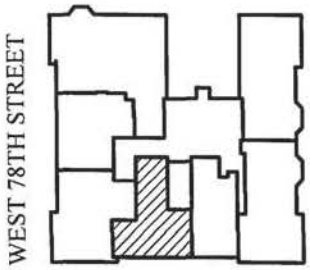
drawn by: KBR

checked by: DEG

drawing number: 8C



KEY PLAN:



101 West 78th Street

Residence 8D- Lower Duplex
2 Bedroom 2 Bath
849 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

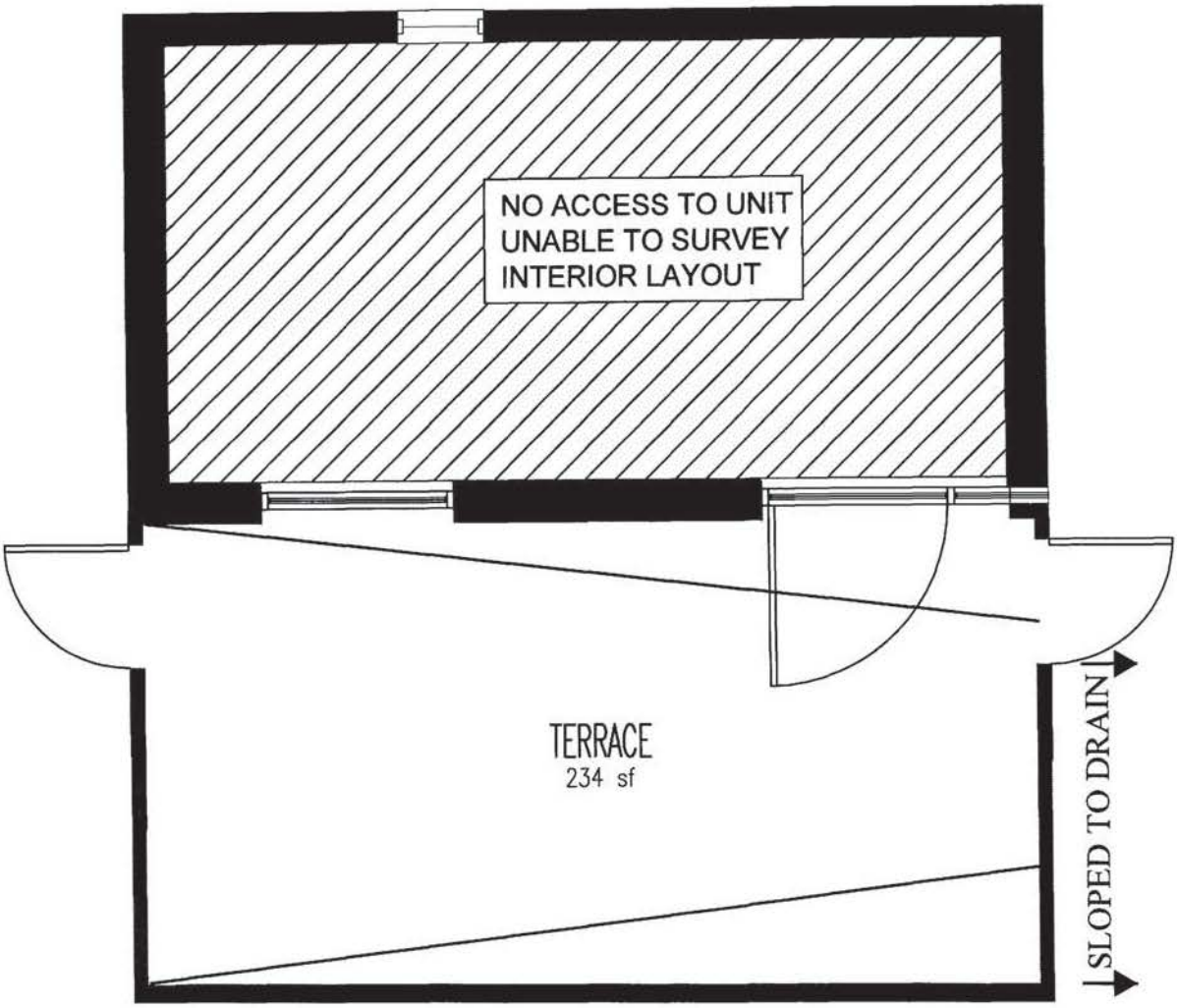
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 8D - Lower

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 8D LOWER



KEY PLAN:

101 West 78th Street

Residence 8D Upper Duplex
2 Bedroom 2 Bath
246 sf + 234 sf terrace

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

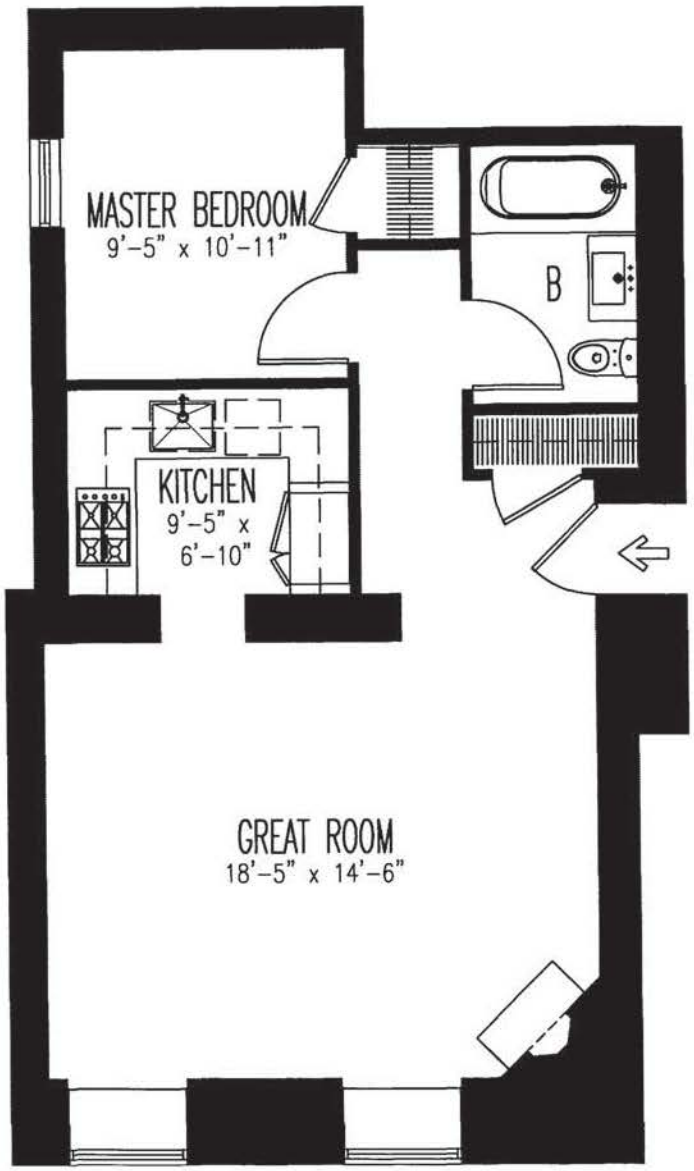
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

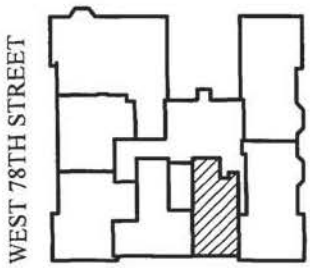
drawing title: Residence 8D - Upper

project number: 13029
date: 10.17.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 8D UPPER



KEY PLAN:



101 West 78th Street

Residence 8E

1 Bedroom 1 Bath

768 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 8E

project number: 13029

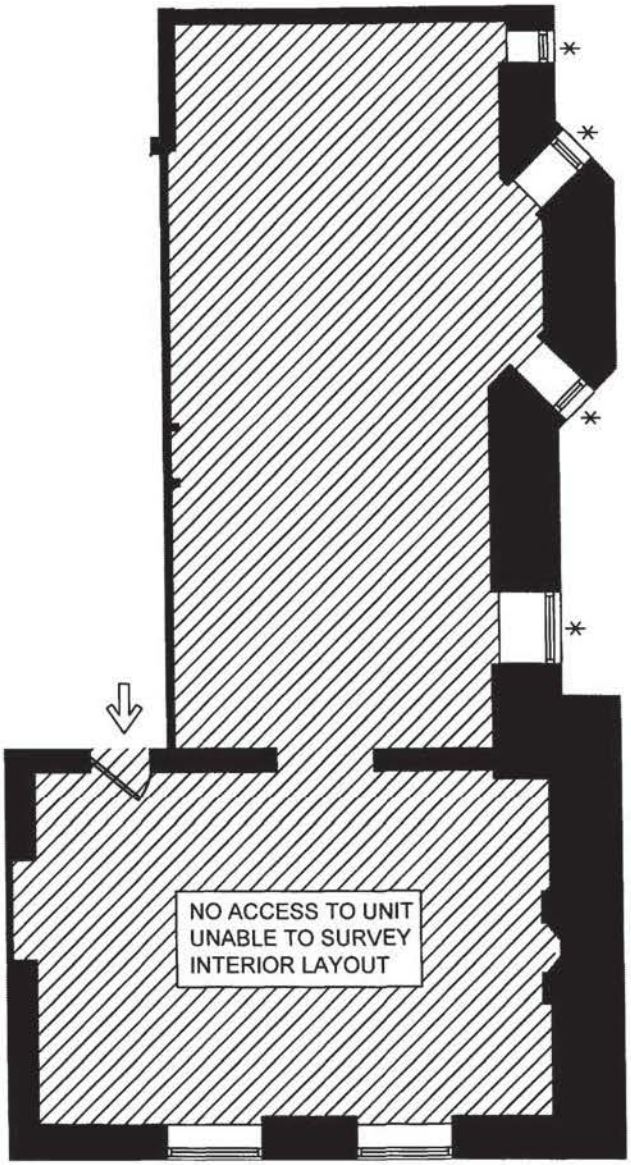
date: 07.23.2014

scale: AS NOTED

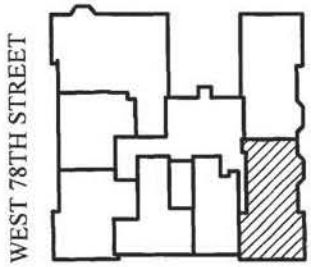
drawn by: KBR

checked by: DEG

drawing number: 8E



KEY PLAN:



101 West 78th Street

Residence 8F Typical
1 Bedroom 1 Bath
978 sf
* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

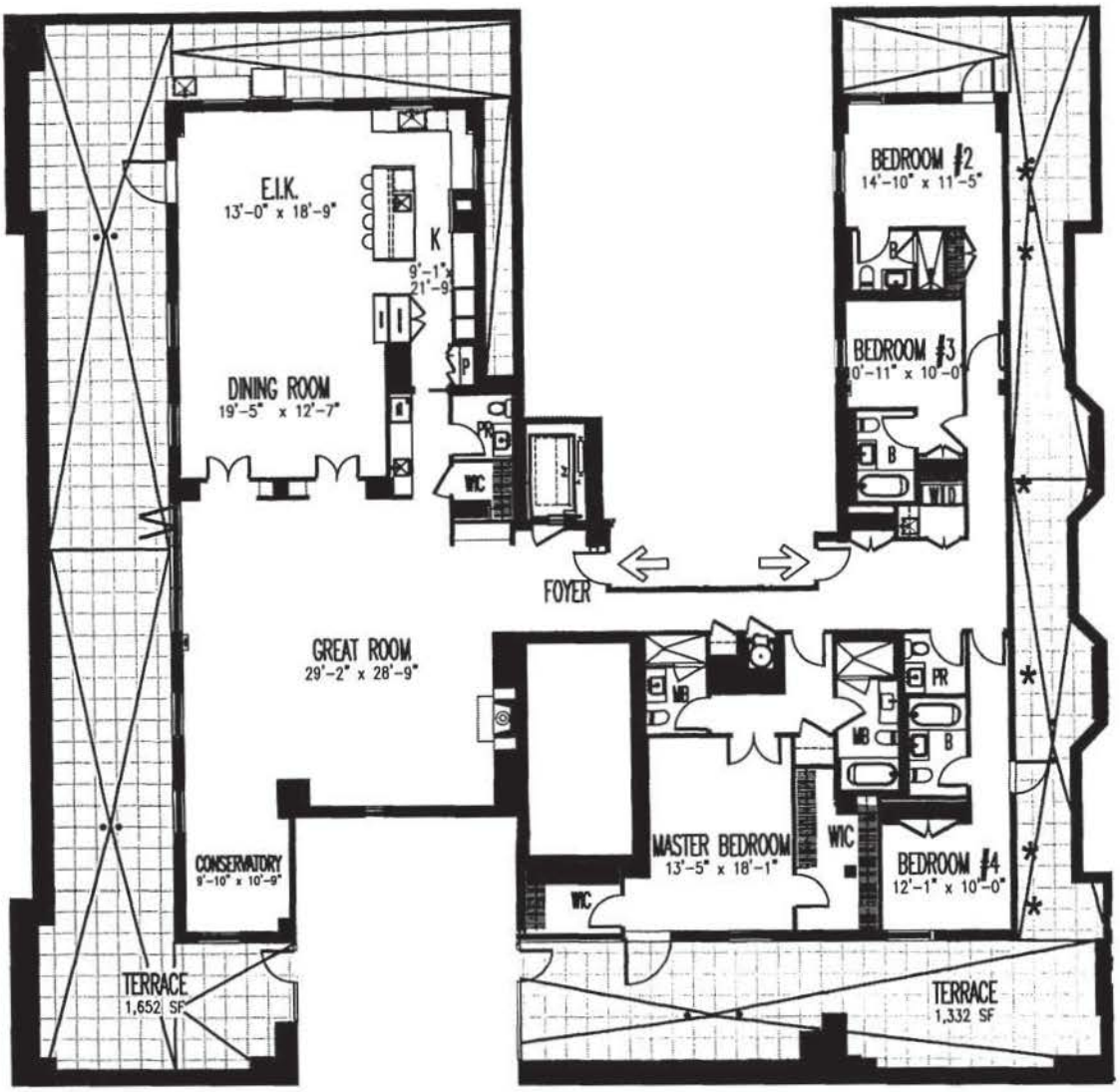
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Residence 8F

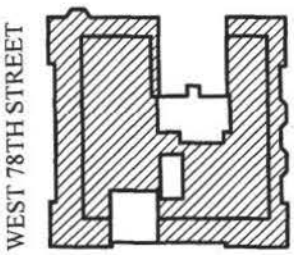
project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: 8F



1 2 10 FT.
2 0 5

KEY PLAN:



101 West 78th Street

Penthouse Residence
4 Bedroom 5 Full & (2)1/2 Bath
4,465 sf + 2,984 sf terrace

* = Lot Line Windows

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

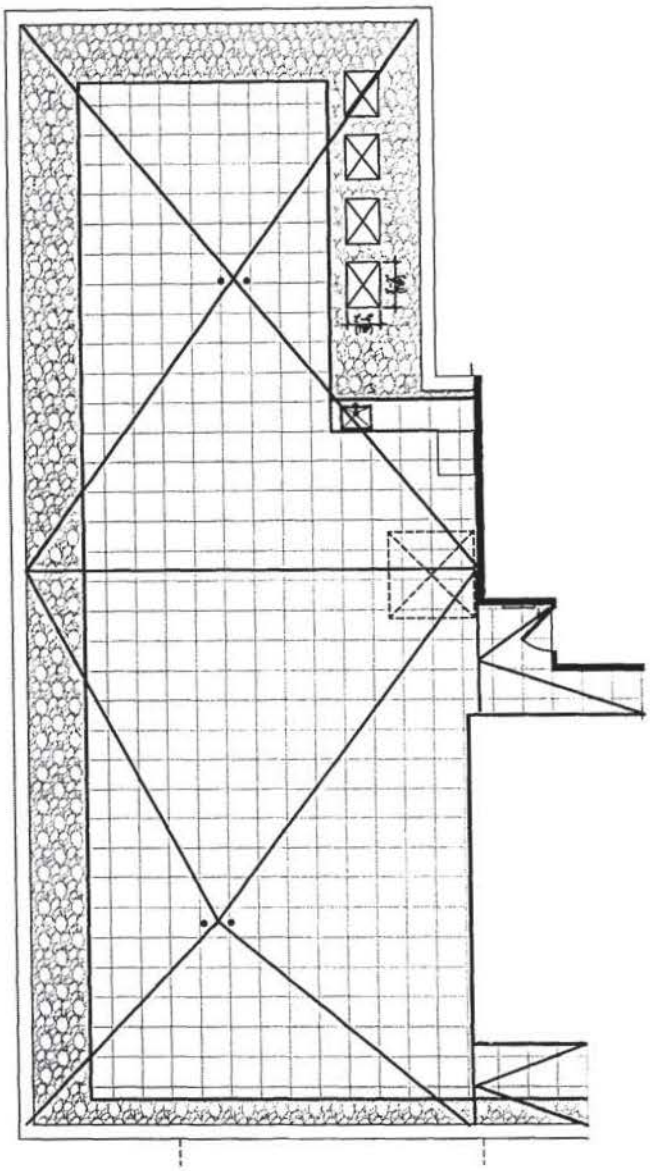
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

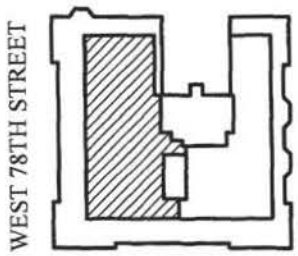
drawing title: Penthouse Residence

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: PH



KEY PLAN:



101 West 78th Street

Private Penthouse Roof- Over 9th Fl

1,804 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Private Penthouse Roof

project number: 13029

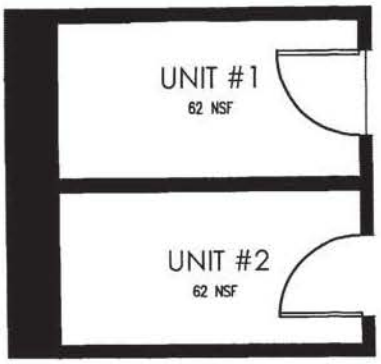
date: 07.23.2014

scale: AS NOTED

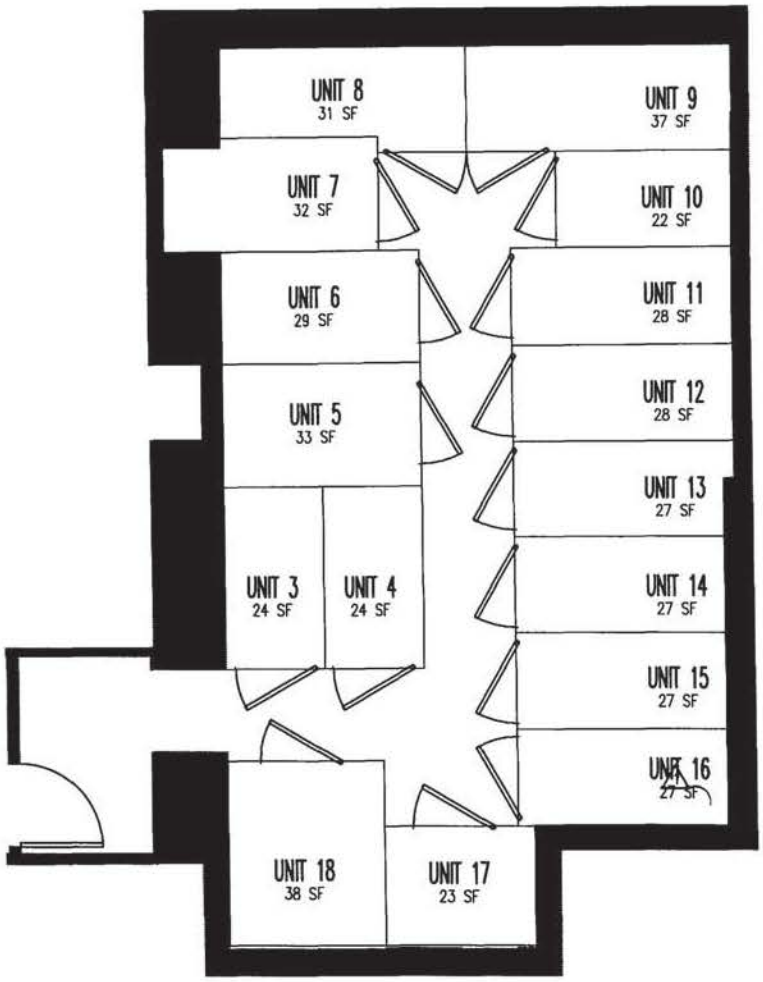
drawn by: KBR checked by: DEG

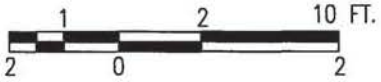
drawing number: PH ROOF

FIRST FLOOR



SECOND FLOOR





KEY PLAN:

FIRST FLOOR

SECOND FLOOR

101 West 78th Street

Storage Units- 1st & 2nd Floor

886 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Storage Units 1st & 2nd Fl

project number: 13029

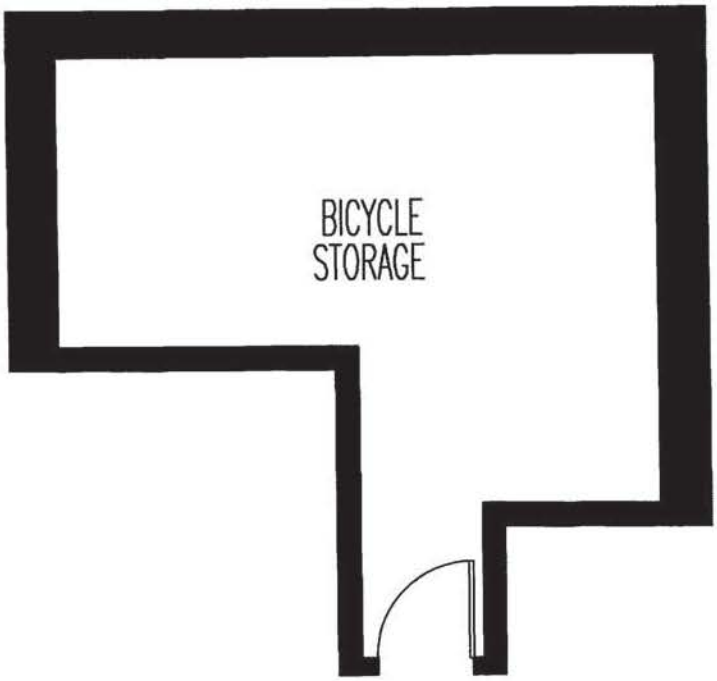
date: 07.23.2014

scale: AS NOTED

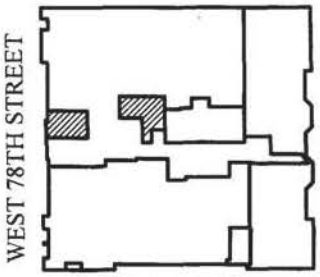
drawn by: KBR

checked by: DEG

drawing number: STORAGE UNITS



KEY PLAN:



101 West 78th Street
Amenity - First Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

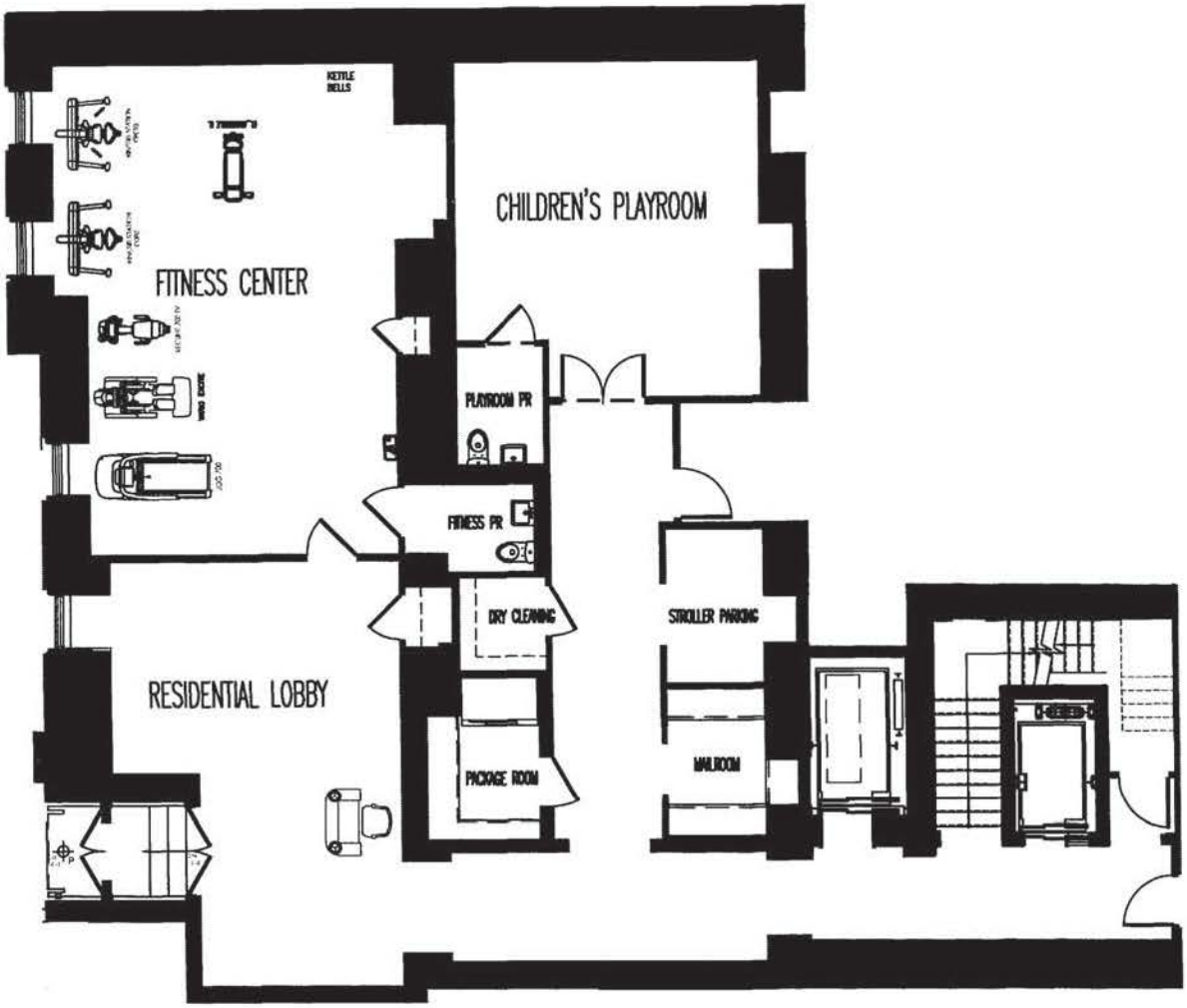
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Amenity First Floor

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: Amenity



1 2 10 FT.
2 0 5

KEY PLAN:

101 West 78th Street

Amenities- Second Floor

3,104 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Amenities Second Fl

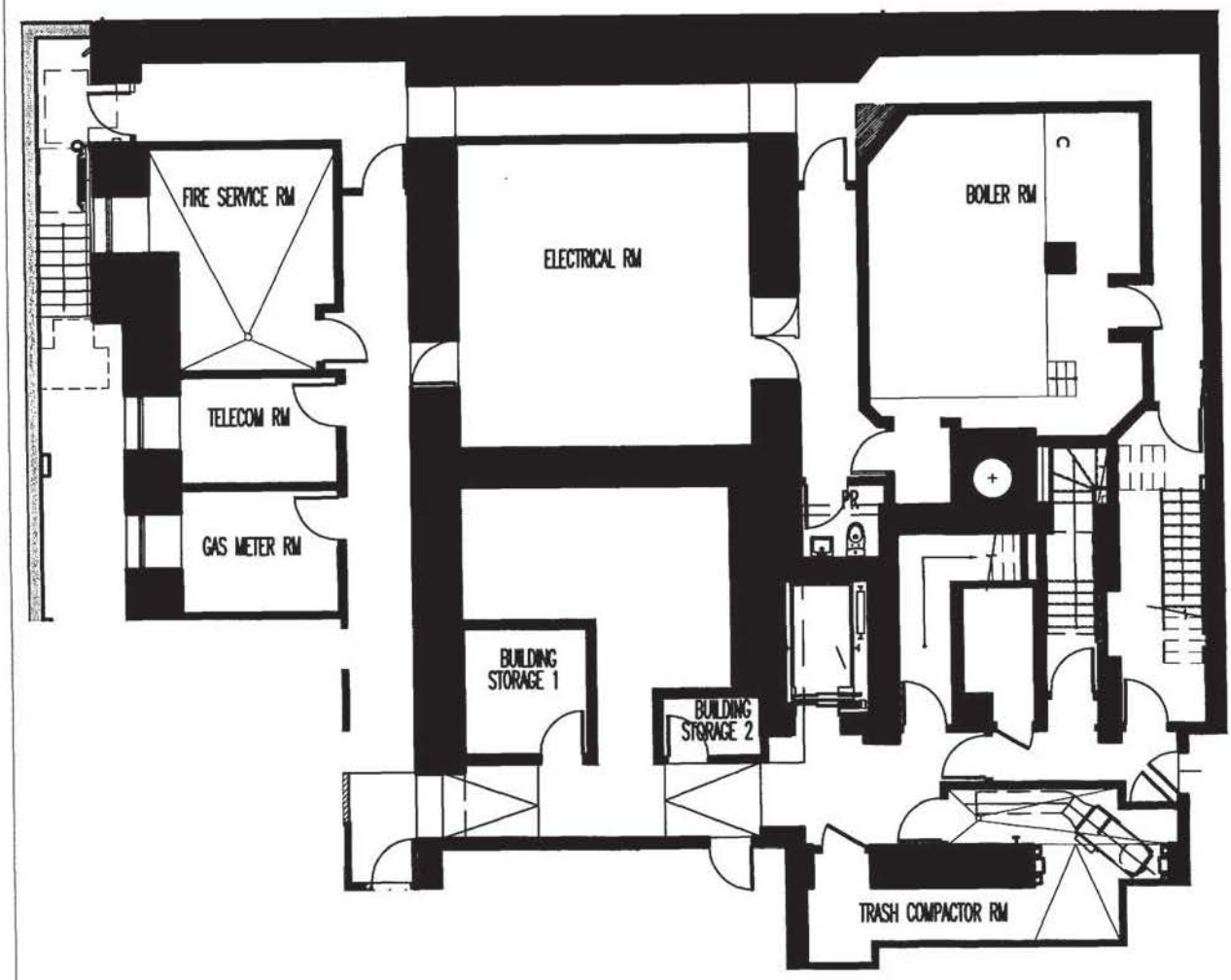
project number: 13029

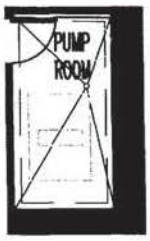
date: 07.23.2014

scale: AS NOTED

drawn by: KBR checked by: DEG

drawing number: Amenity





KEY PLAN:

101 West 78th Street
Back of House - First Floor

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

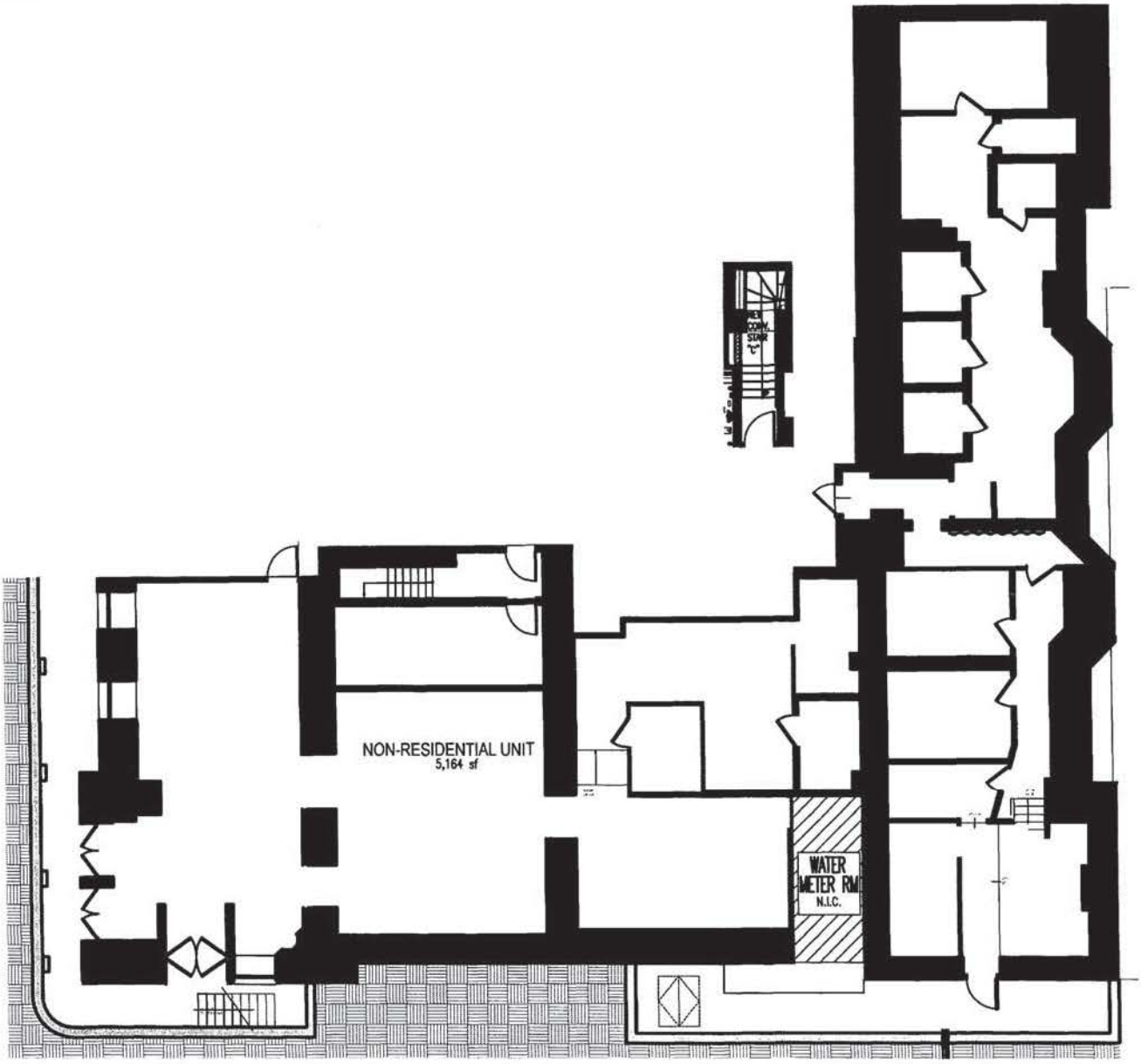
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: BOH First Floor

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: BOH



KEY PLAN:

101 West 78th Street

NON-RESIDENTIAL UNIT - FIRST FLOOR
5,164 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: NON-RESIDENTIAL UNIT FIRST FLOOR

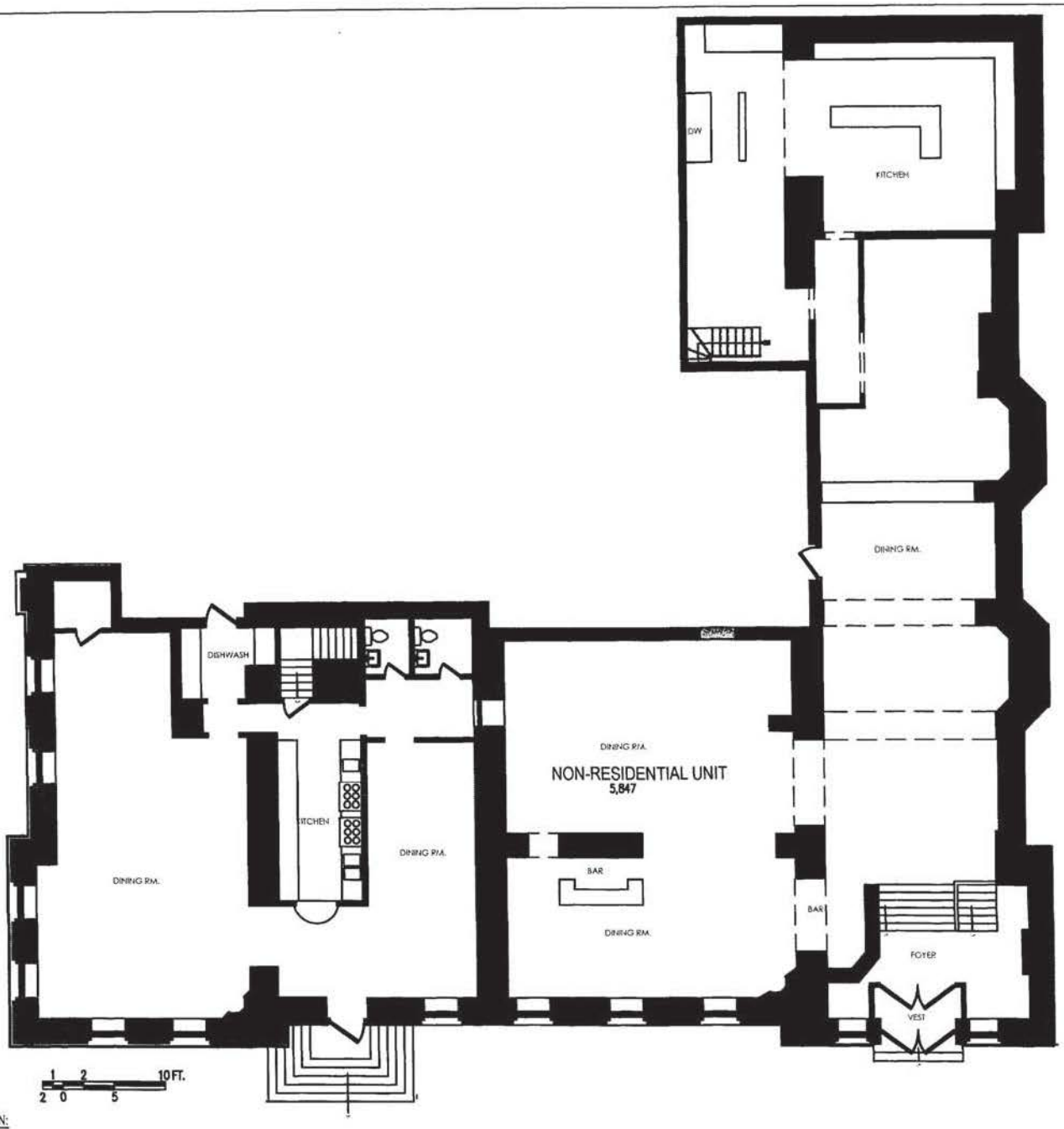
project number: 13029

date: 07.23.2014

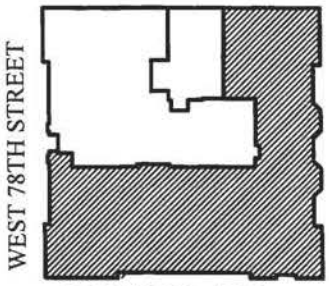
scale: AS NOTED

drawn by: KBR checked by: DEG

drawing number: NON-RESIDENTIAL UNIT - LOWER FLOOR



KEY PLAN:



101 West 78th Street

NON-RESIDENTIAL UNIT - SECOND FLOOR
5,847 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

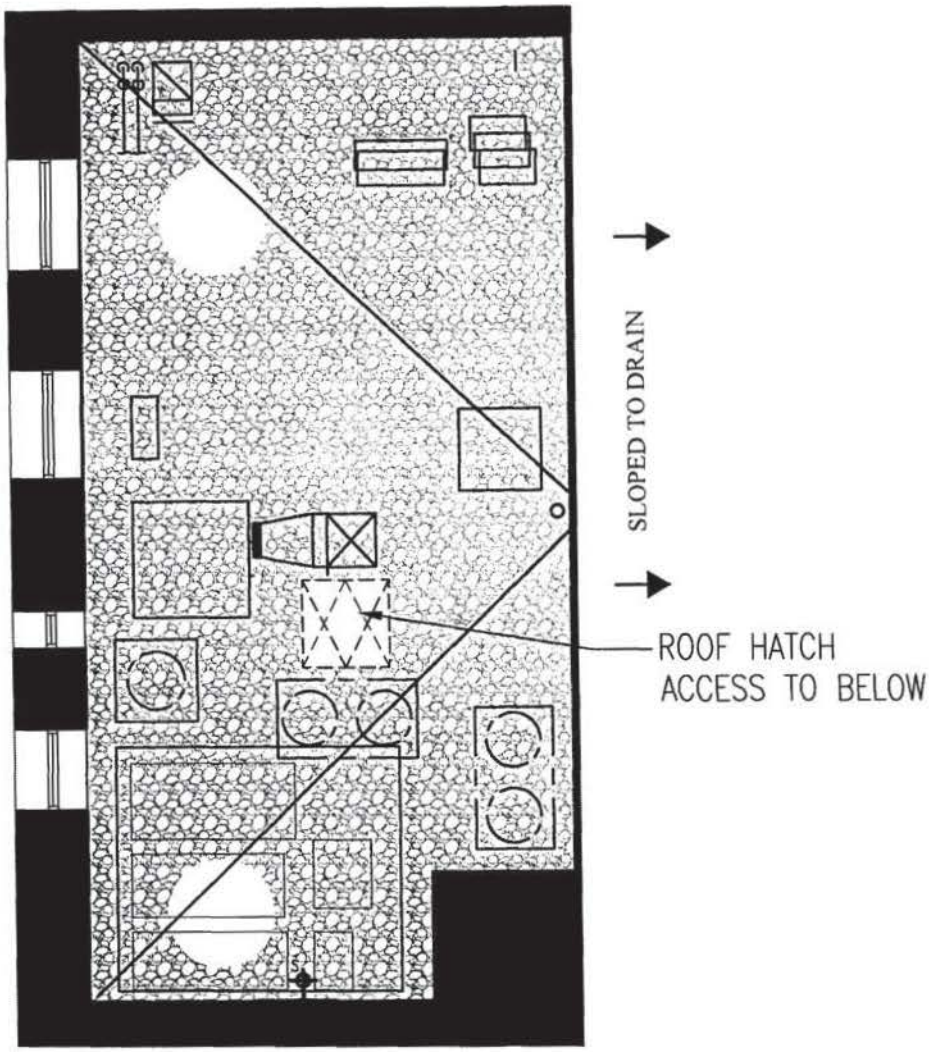
HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: NON-RESIDENTIAL UNIT SECOND FLOOR

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: NON-RESIDENTIAL UNIT - UPPER FLOOR



KEY PLAN:

101 West 78th Street

3rd Floor Roof Mechanical

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: 3rd Floor- Mechanical

project number: 13029

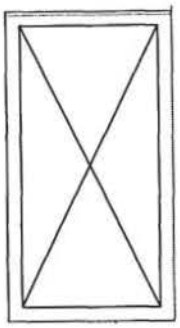
date: 07.23.2014

scale: AS NOTED

drawn by: KBR

checked by: DEG

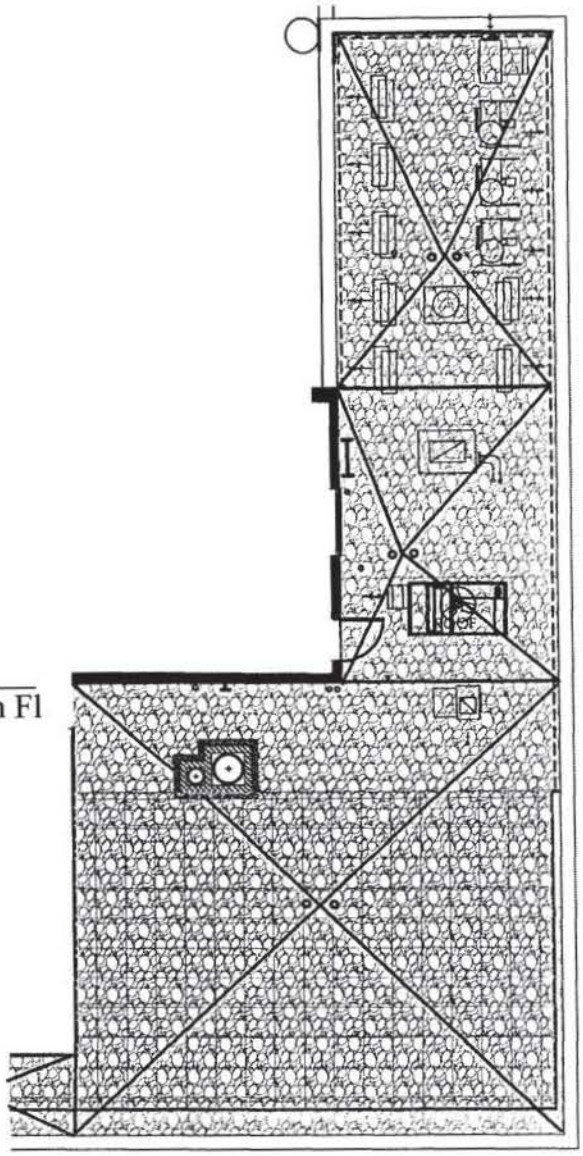
drawing number: MECH



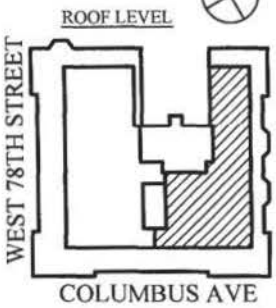
101 West 78th Street

General Common Roof- Over 7th Fl

297 sf



KEY PLAN:



101 West 78th Street

General Common Roof- Over 9th Fl

1,718 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117:Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: General Common Roof

project number: 13029

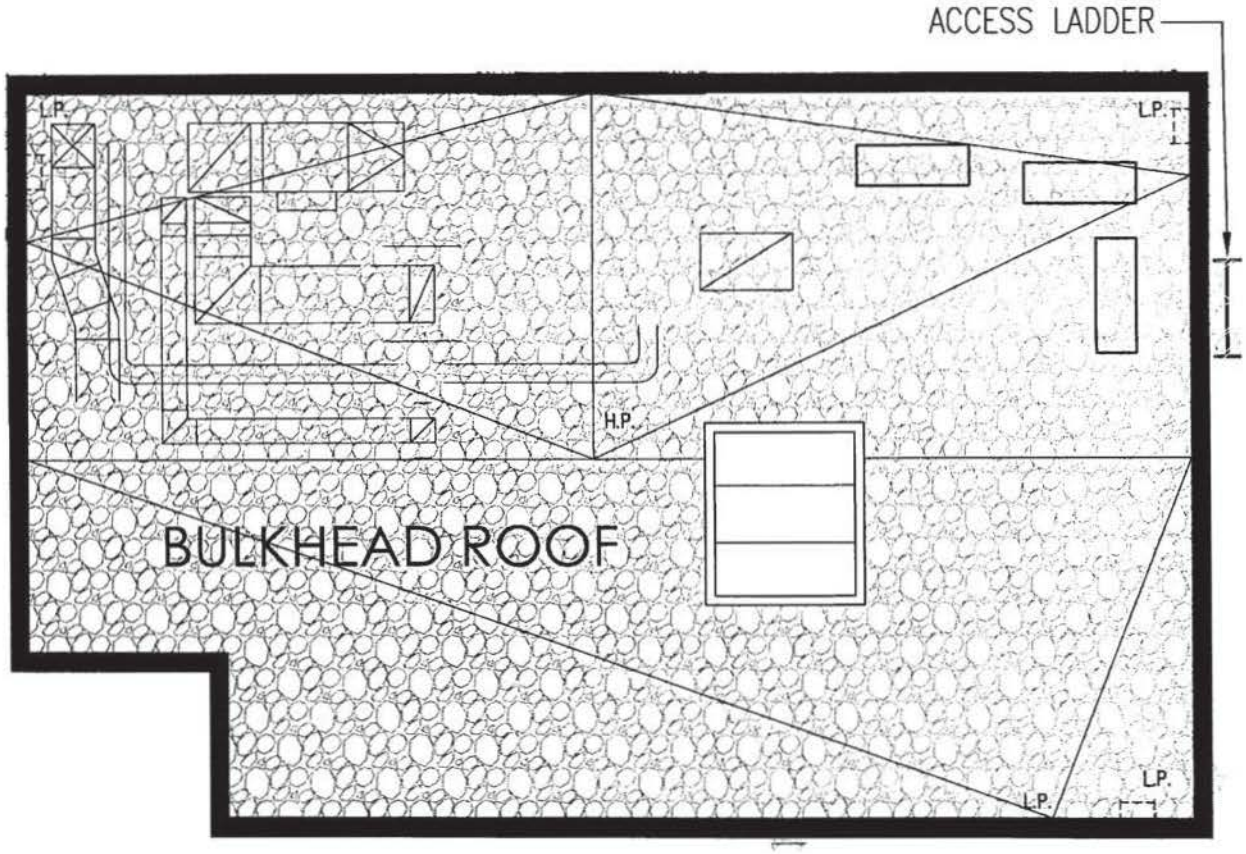
date: 07.23.2014

scale: AS NOTED

drawn by: KBR

checked by: DEG

drawing number: MECH



KEY PLAN:

101 West 78th Street

Bulkhead General Common Element

612 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO

ARCHITECT, PLLC

370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Bulkhead GCE

project number: 13029

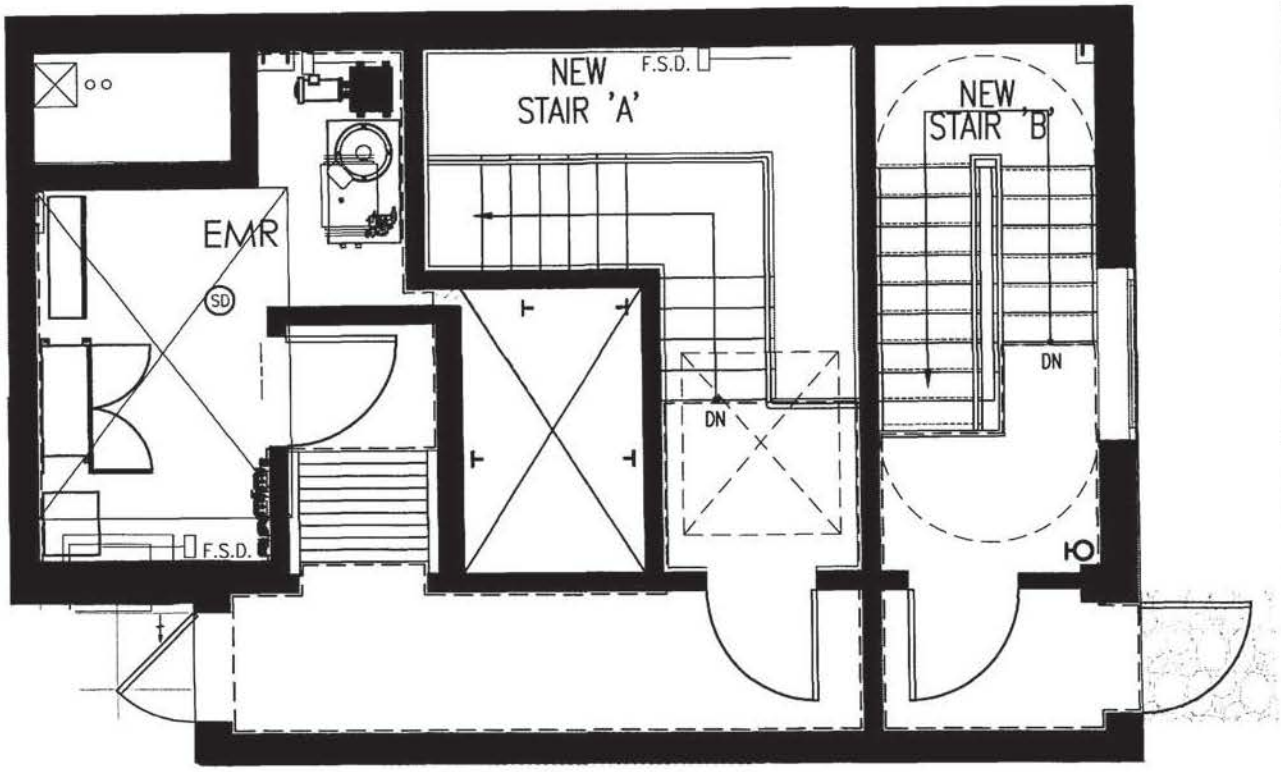
date: 07.23.2014

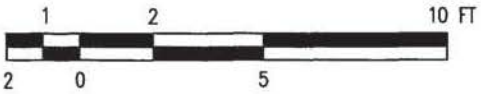
scale: AS NOTED

drawn by: KBR

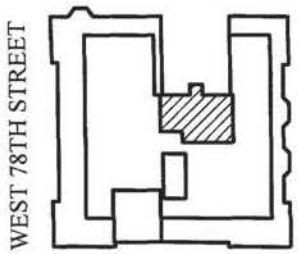
checked by: DEG

drawing number: BH GCE





KEY PLAN:



101 West 78th Street
Bulkhead General Common Element
541 sf

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

HTO
ARCHITECT, PLLC
370 7th Ave - Suite 220
New York, NY 10001
212-695-3117: Main
212-695-3118: Fax
www.hto-architect.com

project: 101 WEST 78

drawing title: Bulkhead GCE

project number: 13029
date: 07.23.2014
scale: AS NOTED
drawn by: KBR
checked by: DEG

drawing number: BH GCE

PURCHASE AGREEMENT

PURCHASE AGREEMENT

101 WEST 78TH LLC

Sponsor

With

_____

Purchaser

Residential Unit Number _____

101 WEST 78 CONDOMINIUM
101 WEST 78TH STREET
NEW YORK, NEW YORK 10024

TABLE OF CONTENTS

Section	Page
1. THE PLAN	1
2. DEFINITIONS	1
3. THE UNIT	2
4. PURCHASE PRICE	2
5. DEPOSITS TO BE HELD IN TRUST	3
6. CLOSING DATE AND PLACE	3
7. CLOSING DOCUMENTS	3
8. STATUS OF TITLE	4
9. CLOSING ADJUSTMENTS	5
10. MORTGAGE TAX CREDIT	6
11. CLOSING COSTS	6
12. AGREEMENT NOT A LIEN OR ENCUMBRANCE	6
13. DEFAULT BY PURCHASER	6
14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE	8
15. SPONSOR'S INABILITY TO CONVEY THE UNIT	8
16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY	8
17. CONDITION OF PROPERTY	8
18. RENOVATION OF VACANT UNITS	9
19. INSPECTION OF VACANT UNITS	9
20. DAMAGE TO THE UNIT	10
21. NO REPRESENTATIONS	11
22. PROHIBITION AGAINST ADVERTISING	11
23. BROKER	11
24. AGREEMENT MAY NOT BE ASSIGNED	12
25. SALE SUBJECT TO EXISTING TENANCY	12
26. TENANT-PURCHASER'S RIGHT TO BENEFIT FROM IMPROVED TERMS	13
27. PURCHASER'S REPRESENTATIONS	13
28. BINDING EFFECT	15
29. NOTICES	15
30. JOINT PURCHASERS	16
31. LIABILITY OF SPONSOR	16
32. FURTHER ASSURANCES	16
33. AGREEMENT NOT CONTINGENT UPON FINANCING	16

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT 16
35. SEVERABILITY 16
36. STRICT COMPLIANCE 17
37. WAIVER OF JURY 17
38. ENTIRE AGREEMENT 17
39. CERTAIN REFERENCES 17
40. CAPTIONS 17
41. SUCCESSORS AND ASSIGNS 17
42. CONFIDENTIALITY 17
43. NO ORAL CHANGES 18
44. PERFORMANCE 18
45. COUNTERPARTS 18
46. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS 18
47. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY 19
48. LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS DISCLOSURE 19
49. CERTIFICATION OF SPONSOR AND PRINCIPALS 20

SCHEDULE A – PERMITTED ENCUMBRANCES

SCHEDULE B – INSPECTION STATEMENT

SCHEDULE C – DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

SCHEDULE D – RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

SCHEDULE E – AFFIDAVITS OF BONAFIDE TENANT PURCHASER AND BONAFIDE NON-TENANT PURCHASER FOR PURPOSES OF DECLARING THE OFFERING PLAN EFFECTIVE

SCHEDULE F – RIDER TO PURHASE AGREEMENT RE: STORAGE LOCKER

PURCHASE AGREEMENT

RESIDENTIAL UNIT NUMBER ____

101 WEST 78 CONDOMINIUM
101 WEST 78TH STREET
NEW YORK, NEW YORK 10024

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

WITNESSETH:

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for 101 West 78 Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser is not a Tenant, Purchaser understands that if Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Initial Deposit to Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Residential Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means 101 West 78th LLC, having an address at 45 Rockefeller Plaza, 31st Floor, New York, New York 10111. Sponsor's taxpayer identification number is _____.

2.2. "Purchaser" means _____ having an address at _____, _____, _____. Purchaser's social security number / EIN is: _____.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 220 East 42 Street, Suite 3302, New York, New York 10017; Attention: Allan Starr, Esq., Esq. Telephone number: (212) 620-2686. Fax number: (212) 696-5013. E-mail address: astarr@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone number: (_____)_____. Fax number: (_____)_____. E-mail address: _____.

2.5 "Selling Agent" means Brown Harris Stevens, having an address at 445 Park Avenue, 12th Floor, New York, New York 10022. Telephone number: (212) 381-4203.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Chicago Title Insurance, having an address at 711 Third Avenue, New York, New York 10017. Telephone number: (212) 880-1200.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Residential Unit designated as Residential Unit _____ in the Declaration ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to the Unit.

4. PURCHASE PRICE

4.1 The Purchase Price of the Residential Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit") due upon Purchaser's signing and delivering this Agreement;

(b) $_____ ("Additional Deposit") due upon the earlier to occur of (i) 6 months after the date of this Agreement, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of the Purchase Price") due upon the delivery of the deed to the Unit to Purchaser.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing and delivering this Agreement.

4.2 Purchaser must deliver the payment of any Deposit or the Balance of the Purchase Price by official bank check unless Sponsor offers, in Sponsor's sole discretion, to accept a wire transfer. All instruments (a) in payment of any Deposit shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan, as applicable, or (b) in payment of the Balance of the Purchase Price shall be made payable directly to the order of 101 West 78th LLC or such other parties or wired to one or more accounts, in each case as directed by Sponsor. All instruments are accepted subject to collection. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under this Agreement, rendering this Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under this Agreement and the Unit may be sold to another as though this Agreement had never been made. A return of any check delivered in payment of the Additional Deposit or the Balance of the Purchase Price, for insufficient funds or for any other reason, shall constitute a default under this Agreement, entitling Sponsor, at its option, to exercise the remedies set forth in Article 13 of this Agreement. With respect to wire transferred funds,

any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED.

5. DEPOSITS TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards a Deposit shall be delivered to Escrow Agent and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed to this Agreement as Schedule E and made a part of this Agreement. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of all Deposits to Sponsor in the event Sponsor and Purchaser close title under this Agreement. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, all Deposits shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that Sponsor is unable to convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 220 East 42 Street, Suite 3302, New York, New York 10017 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorney for Sponsor at Closing, an additional fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the Section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor and Purchaser in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS Section 1445 as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed and acknowledged deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 At the Closing of Title, if Purchaser is a tenant or occupant of the Unit or another Unit in the Building pursuant to a lease or Use and Occupancy Agreement, Purchaser shall execute and deliver to Sponsor a surrender of such lease or Use and Occupancy Agreement.

7.7 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to Closing. However, nothing contained in this Agreement shall excuse Sponsor from performing those obligations (if any) expressly stated in this Agreement or in the Plan to be performed subsequent to the Closing, and nothing in this Agreement shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 23 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed to this Agreement and made a part of this Agreement and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to Closing to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser. Notwithstanding the foregoing, delivery of a title report to Attorney for Sponsor at least 10 days prior to the Closing shall be deemed written notice of any title defects.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subsection, the

amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subsection shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law. The provisions of this subsection shall survive the Closing.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which the Closing occurs; and

(c) if Purchaser is a tenant or occupant or is permitted to occupy the Unit or another Unit in the Building prior to Closing, accrued rent or use and occupancy charges and any other charges pursuant to a lease or Use and Occupancy Agreement, if any, covering such Unit.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing for the then current tax period, the adjustment under subsection 9.1(a) shall be based upon the assessment for the Property and the undivided percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to Purchaser (as Unit Owner).

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) in connection with the Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party owned the Unit. The provisions of this subsection shall survive the Closing.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date subject to Sponsor's rights under Section 13.2 of this Agreement, (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided in this Agreement or the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339- ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, if Purchaser elects mortgage financing, Purchaser will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Purchaser shall reimburse Sponsor to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 of this Agreement, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All closing costs shall be paid by Purchaser, at Closing, by official bank check, drawn upon a bank that is a member of the New York Clearing House Association.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited pursuant to this Agreement, except as otherwise provided. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided percentage interest in the Common Elements from the lien of such mortgages on or prior to the Closing. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided percentage interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations under this Agreement or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" under this Agreement:

(i) Purchaser's failure to close title to the Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due, or the dishonor of any check delivered by Purchaser to Sponsor in payment of the Additional Deposit, the Balance of the Purchase Price, or any closing adjustment, closing cost or fee, including, without limitation, attorneys' fees required to be paid by Purchaser as set forth in the Plan or in this Agreement; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is a tenant or occupant or is permitted to occupy the Unit or another Unit in the Building, Purchaser's failure to pay rent or use and occupancy charges when due, or otherwise comply with any other lease or occupancy obligation; or

(v) Purchaser's assignment or transfer of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Unit for sale or rental with any broker, placing or authorizing any listing in any broker's listing system or any other listing service or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed in Sponsor's sole and absolute discretion; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a purchase agreement between Purchaser and Sponsor for another unit at the Property.

(xi) Purchaser's failure to (i) complete and return to the Department of Law the Purchaser Affidavit (or re-execution thereof) as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate into the intended occupancy of the Unit as set forth in Paragraph 27.3 of this Agreement.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Additional Deposit, the Balance of the Purchase Price and to pay, perform or comply with Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser cancel this Agreement. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages (a) all Deposits and any interest earned thereon, and (b) any Unit Upgrade Funds.

Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations under this Agreement and the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and all Deposits, together with any interest earned thereon, shall be returned to Purchaser within 30 days from the Filing Date of the amendment abandoning the Plan. Upon such return, neither Sponsor nor Purchaser shall have any further rights, obligations or liability to or against the other and Sponsor and Purchaser shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default under this Agreement, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all Deposits and all other sums deposited by Purchaser, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither Sponsor nor Purchaser shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price is attributable to such items.

17. CONDITION OF PROPERTY

The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including the Building, the Common Elements, the Unit (except with respect to Non-Tenant Purchasers) and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (collectively "Installations"), in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement (with respect to Non-Tenant Purchasers only), or the Filing Date of the Plan (with respect to Tenant-Purchasers only), and delivery of the deed to Purchaser. Purchaser acknowledges having read the Description of Property and Building Condition, which sets forth a description of the physical condition of the Building set forth in Part II of the Plan and having been given the opportunity to review the Section of the Plan entitled "Sponsor's Statement of Building Condition." Purchaser understands that Sponsor

has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations, except as may otherwise be set forth in the Plan. Sponsor has agreed in the Plan to maintain the Building and the Common Elements in substantially the same condition they were in on the Filing Date, until the First Closing (subject to ordinary wear and tear between the Filing Date and the First Closing), unless prevented from doing by reason of acts or events beyond Sponsor's control, as more particularly set forth in the Plan.

18. RENOVATION OF VACANT UNITS

18.1 The renovation of the Unit, if applicable, including the materials, equipment and fixtures to be installed in the Unit, shall be substantially in accordance with the Plan, subject to the right of Sponsor to substitute materials, equipment or fixtures of Equal or Better Quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). With respect to a combined unit, the issuance of a letter of completion or similar document issued by the Buildings Department reflecting the combined Unit, if required, shall be deemed presumptive evidence that the Unit has been fully completed in accordance with the Plan.

18.2 The renovation of the Unit and the correction of any defects in the renovation thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan, as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor," and will only be responsible to correct any defects in the Unit to the extent, and on the terms and conditions, set forth in such Section.

18.3 The Closing of Title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow), notwithstanding any construction items noted on Purchaser's Inspection Statement (as herein defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Unit.

18.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Closing of Title to Residential Units." Purchaser acknowledges that renovation of the Unit may be delayed by late delivery of material or equipment, labor difficulties, unavailability of Building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building to be renovated by Sponsor will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

19. INSPECTION OF VACANT UNITS

19.1 Upon receipt of a Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date fixed by the Closing Notice. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule C to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the interior of the Unit within 7 days prior to

the Closing Date fixed by the Closing Notice or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from appearing at the Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit "as is." However, nothing shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

19.2 Any work set forth on the Inspection Statement shall be completed by Sponsor as agreed in writing and shall not be grounds for delaying the Closing. Purchaser will be obligated to provide Sponsor and its contractors, subcontractors, agents and employees, unfettered access to the Unit and any Residential Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any work set forth on the Inspection Statement.

20. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title, the Unit is damaged by fire or other casualty, the following shall apply:

20.1 If Purchaser is the existing tenant or occupant of the Unit, or if Purchaser is given possession of the Unit prior to Closing pursuant to a Use and Occupancy Agreement or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its Installations. However, until Closing, Sponsor will remain responsible to make those repairs required of it as landlord under any lease or Use and Occupancy Agreement and, after Closing, the Condominium Board will be responsible to make those repairs required of it under the Declaration and By-Laws. If Purchaser is not the existing tenant or occupant of the Unit, or if Purchaser is not given possession of Unit prior to Closing pursuant to a Use and Occupancy Agreement or otherwise, the risk of loss to the Unit by fire or other casualty until the earlier of the Closing or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits delivered pursuant to this Agreement, together with interest earned thereon, if any, and neither Sponsor nor Purchaser hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan, except that if Purchaser is then in default under this Agreement (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms contained in the Unit or any other physical characteristics of the Unit, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as specifically represented in this Agreement or the Plan. Purchaser has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as specifically set forth in this Agreement or the Plan. No oral representations or statements shall be considered a part of this Agreement. Sponsor does not make any representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as specifically set forth in this Agreement or the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations under this Agreement by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing.

22. PROHIBITION AGAINST ADVERTISING

Purchaser is prohibited under this Agreement from taking any of the following actions until the Closing of Title, without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental. Any such action by Purchaser shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement. Purchaser acknowledges that Purchaser is prohibited under the By-Laws for a period of 12 months from the Closing ("Sponsor Sale") from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, (iii) advertising or otherwise offering, promoting or publicizing the availability of such Unit for sale or rental, or (iv) entering into a contract, lease or other agreement for the sale or rental of the Unit or reselling or renting the Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale"). The provisions of this Article shall survive the Closing of Title.

23. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent or the Co-Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including legal fees. The provisions of this Article shall survive the Closing.

24. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld, conditioned, or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment, (iv) the assignee assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

25. SALE SUBJECT TO EXISTING TENANCY

25.1 The following is applicable if Purchaser is acquiring an occupied Unit:

Complete the following only if Purchaser is not the tenant of the Unit:

Unit is Vacant: Yes ( ) No ( )

If Unit is Occupied:

Monthly Rent: $_____

Current Lease Term Expires: _____
or month-to-month ( )

Rent Security: $_____

Unit is Occupied by a Non-Purchasing Tenant: Yes ( ) No ( )

25.2 Purchaser acknowledges that the Unit being sold is subject to the lease or tenancy of the present tenant and Section 352-eeee of the New York State General Business Law ("GBL") as explained more fully in the Plan under the Section entitled "Rights of Existing Tenants" and Purchaser and Purchaser's successors and assigns shall continue to be bound by such laws and regulations so long as such occupancy continues.

25.3 Purchaser further acknowledges as set forth in the Plan, that if a Non-Purchasing Tenant is in possession of the Unit on the Closing Date, Purchaser will assume the rights and obligations of Sponsor as the landlord of such tenant, including the right to collect rent (whether the same be greater or less than the Common Charges established from time to time by the Condominium Board) and the obligation to repair and maintain the Unit (including its equipment and appliances) for the benefit of the existing tenant. Following the Closing, Purchaser alone will bear the entire cost and expense of owning the Unit (including, but not limited to, any legal fees and litigation expenses incurred in enforcing the lease and obtaining possession of the Unit).

25.4 Purchaser acknowledges that if the tenant of the Unit exercises any right granted under the Plan (or any amendment thereto) or under the Rent Laws or GBL or other applicable law, which may or may not exist as of the date of this Agreement, or any administrative or judicial interpretation thereof, to purchase the Unit, then upon the Closing of such purchase, this Agreement shall be deemed canceled

and, within 30 days after the occurrence of such event, all monies paid by Purchaser under this Agreement shall be refunded. Upon such repayment, Purchaser, Sponsor, Selling Agent, and any other party hereto shall be (and hereby are) released and discharged of all liability or obligations under this Agreement and under the Plan.

25.5 Purchaser irrevocably appoints the Managing Agent of the Condominium (which Managing Agent may be replaced from time to time by the Condominium Board) as Purchaser's agent, coupled with an interest, to provide for the account and at the expense of Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has the right to occupy the Unit until such time as such right of occupancy terminates. Purchaser agrees to deposit with the Managing Agent at the Closing a sum of not less than an amount equal to 2 months Common Charges to be used as working capital to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. Purchaser agrees that upon written notice by the Managing Agent that such deposit has been diminished, that Purchaser shall replenish such fund within 30 days thereafter. Purchaser further understands that Sponsor will guarantee the obligation of the Managing Agent to provide all such services and facilities until such time as Sponsor relinquishes control of the Condominium Board and Purchaser agrees to indemnify Sponsor for all costs expended by Sponsor on Purchaser's behalf. The provisions of this subsection shall survive the Closing.

26. TENANT-PURCHASER'S RIGHT TO BENEFIT FROM IMPROVED TERMS

If prior to the First Closing, Sponsor amends the terms and conditions of the Plan to be more favorable to Tenant-Purchasers, then if Purchaser is a Tenant-Purchaser who executed and delivered this Agreement and the Initial Deposit for the Unit which the Tenant-Purchaser occupied on the Filing Date before Sponsor amended the terms of the Plan, then Purchaser shall benefit from the more favorable terms and conditions.

27. PURCHASER'S REPRESENTATIONS

27.1 If Purchaser was a tenant in occupancy of a Unit in the Building on the Filing Date of the Plan, Purchaser hereby represents that this Agreement was executed and delivered by Purchaser pursuant to an offering made without a discriminatory repurchase agreement or other discriminatory inducement.

27.2 (a) To declare the Plan effective, 15% of Purchasers must be "bona fide," which is defined as: (i) a tenant in occupancy on the date the Plan is declared effective or (ii) a Purchaser who represents that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant. For purposes of effectiveness, the purchase of contiguous Units (i.e. Unit combinations) shall be treated as one Unit. Notwithstanding the foregoing, the purchase of non-contiguous Units by one Purchaser for more than one Bona Fide Tenant or Bona Fide Purchaser (e.g. one Unit for parents and one for adult child) shall be treated as individual Units for effectiveness purposes.

(b) In connection with the Plan being declared effective, the Department of Law requires an affirmative representation from each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser as a part of the Department of Law's investigative process. Each Bona Fide Tenant Purchaser and each Bona Fide Non-Tenant Purchaser is required to execute either an affidavit entitled "Affidavit of Bona Fide Tenant Purchaser For Purposes of Declaring Offering Plan Effective" or "Affidavit of Bona Fide Non-Tenant Purchaser For Purposes of Declaring Offering Plan Effective", as applicable (each a "Purchaser Affidavit"). A copy of each Purchaser Affidavit is annexed to this Agreement. The Purchaser Affidavit must be executed and returned by Purchaser together with this Agreement. To the extent the Department of Law or Sponsor requires that the Purchaser Affidavit be re-executed thereafter, Purchaser shall have 5 days to re-execute and return an original to Sponsor. A Bona Fide Tenant Purchaser and a Bona Fide Non-Tenant Purchaser may also be required to submit to the Department of Law additional information concerning the intended occupancy of the Unit which is the

subject of the Purchase Agreement and otherwise cooperate with the Department of Law's inquiry into the intended occupancy of the Unit. Any Bona Fide Tenant Purchaser or Bona Fide Non-Tenant Purchaser who fails to (i) execute and return the Purchaser Affidavit (or re-execution thereof) to Sponsor, as and when required; (ii) deliver any and all additional information the Department of Law may require; and (iii) otherwise cooperate in any inquiry the Department of Law may initiate, will be deemed to have committed an Event of Default under this Agreement. Bona Fide Tenant Purchasers and Bona Fide Non-Tenant Purchasers are advised that a default of these obligations shall entitle Sponsor to all rights and remedies, including, without limitation, the right to retain, as and for liquidated damages, the Deposits and any interest earned on the Deposits.

(c) Purchaser is advised to seek the advice of an attorney before executing the Purchaser Affidavit. The submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both Sponsor and Purchaser to both civil and criminal liability.

(d) The Department of Law reserves the right to request additional information from Sponsor and Purchaser. Failure to provide such information to the Department of Law within the timeframe requested may result in the rejection of Sponsor's effectiveness amendment. Furthermore, the submission of any misinformation to the Department of Law, including a false instrument, shall be deemed a violation of the Martin Act, and may also subject both Sponsor and Purchaser to both civil and criminal liability.

27.3 (a) Purchaser is not now, nor shall at any time prior to or at the Closing of Title, be a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser, is now nor shall be at any time prior to or at the Closing of Title, be a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, (i) is prohibited from transacting business; or (ii) with whom U.S. Persons may only, subject to the imposition of significant fines and/or penalties, transact business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

(b) Purchaser has taken, and until the Closing of Title shall continue to take, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law, and to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and at Closing will be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq.; and the International Emergency Economic Powers Acts, 50 U.S.C. Section 1701 et. seq., and the sanctions and regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957, as amended from time to time.

(c) The provisions of this Article 27 shall survive the Closing or the earlier termination of this Agreement.

28. BINDING EFFECT

28.1 The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart of this Agreement has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 30 days from the delivery to Sponsor of this Agreement executed by Purchaser together with the Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither Sponsor nor Purchaser shall have any further rights, obligations liability to or against the other under this Agreement or the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

28.2 This Agreement shall be binding on Sponsor provided (i) Purchaser is a Tenant-Purchaser in good standing under the lease for the Unit; (ii) the Unit is the Unit occupied by the Tenant-Purchaser on the Filing Date of the Plan; (iii) the Agreement has not been altered, is complete and has been executed by all Tenant-Purchasers whose names are listed as tenants on the lease for the Unit or by one or more such tenants provided any other tenants whose names are listed as tenants on the lease for the Unit have waived their right to purchase the Unit in writing; (iv) the executed Agreement is accompanied by the Initial Deposit; and (v) the executed Agreement is delivered to Sponsor or Selling Agent during the time within which the Tenant-Purchaser has the exclusive right to purchase the Unit.

29. NOTICES

29.1 Any notice, election, demand, request, letter, consent or other communication under this Agreement or the Plan shall be in writing and either delivered in person, via electronic transmission (e-mail) or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy by regular mail delivered to Purchaser at the address given at the beginning of this Agreement and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy by regular mail delivered to Sponsor at the address given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided in this Agreement, a notice shall be deemed given on the date when personally delivered, when sent via electronic transmission (e-mail), when delivered to the overnight courier, or in the case of mailing, on the date mailed in a prepaid sealed wrapper, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties receives from the other party's attorneys shall be deemed to be notice from such party itself.

29.2 Sponsor designates and empowers both the Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor.

29.3 Purchaser designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

30. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

31. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

32. 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 in this Agreement, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated in this Agreement or to confirm or perfect any right to be created or transferred under this Agreement or pursuant to any such transaction.

33. AGREEMENT NOT CONTINGENT UPON FINANCING

The terms and provisions of this Agreement and Purchaser's obligations are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations under this Agreement. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtains a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, the imposition by the lender of any additional fees or charges, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT

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

35. SEVERABILITY

If any provision of this Agreement or the Plan is invalid or unenforceable as against any party 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 provided in this Agreement or the Plan, shall be valid and enforced to the fullest extent permitted by law.

36. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

37. WAIVER OF JURY

Except as prohibited by Law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created by this Agreement or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

38. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter of this Agreement.

39. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

40. CAPTIONS

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

41. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

42. CONFIDENTIALITY

Sponsor and Purchaser acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Sponsor shall be permitted to disclose this Agreement to its current and prospective partners, investors and lenders and may also disclose to third parties that this Agreement has been executed and the purchase price, but not the identity of Purchaser or its principals. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, brokers, lenders, partners, investors, architects/engineers, accountants, Escrow Bank and individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the party's undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep

the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

43. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached to this Agreement or in a separate written agreement signed by the parties or by an amendment to the Plan.

44. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

45. COUNTERPARTS

Except for the Purchaser Affidavits, an original of which is required to be executed and delivered to Sponsor, this Agreement may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

46. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS

46.1 This Agreement was negotiated in the State of New York and the Unit to be conveyed is located in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied in this Agreement, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising under this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America. Purchaser unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

46.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any federal or state court in New York County, New York and Purchaser waives any objection which Purchaser may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser designates and appoints Attorney for Purchaser as its authorized agent to accept and acknowledge on Purchaser's behalf service of any and all process which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon Attorney for Purchaser and written notice of service of Purchaser mailed or delivered to Purchaser in the manner provided in this Agreement shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Seller of any changed address of Attorney for Purchaser, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor.

47. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

47.1 The provisions of this Article shall survive the Closing or the earlier termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

47.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

48. LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS DISCLOSURE

48.1 The Environmental Protection Agency and the Department of Housing and Urban Development promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 745 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of Units. In accordance with the provisions of the Federal Regulations, annexed to this Agreement as Schedule C is a "Lead Warning Statement" and "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Sponsor and Purchaser. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law (including Local Law 1 of 2004) concerning the use of lead-based paint and/or lead-based paint hazards and all applicable protections required in connection with any construction work performed by Sponsor at the Building. In accordance with the terms of the rider annexed to this Agreement, Purchasers have the right to inspect the Unit for the presence of lead-based paint. Lead paint has been detected in various locations throughout the building. Sponsor shall implement the lead paint O&M program, contained in Part II of the Plan, to remediate affected locations in accordance with applicable Law. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. Purchaser's obligation hereunder shall survive Closing.

48.2 In the event Purchaser exercises Purchaser's right to conduct a risk assessment or inspection ("Inspection") for the presence of lead-based paint and/or lead-based paint hazards, such Inspection shall be performed within 10 calendar days following the date of this Agreement on the following terms and conditions:

48.2.1 Purchaser and Purchaser's consultant ("Consultant") will be given reasonable access to the Unit and the public areas of the Building.

48.2.2 The Inspection shall be held at a mutually convenient time and date on a business day between 9 a.m. and 5 p.m.

48.2.3 The Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Residential Unit or the Building.

48.2.4 Purchaser shall be liable for any damages to the Residential Unit or the Building, injuries, and all claims and lawsuits caused by Purchaser or the Consultant during the Inspection.

48.2.5 Purchaser or the Consultant will not probe, penetrate or disturb any painted or covered surface during the Inspection without Sponsor's approval.

49. CERTIFICATION OF SPONSOR AND PRINCIPALS

Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al. 106 A.D. 3rd 542 (1st Dept. May 16, 2013).

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchaser and would not prevent the use of the Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements and Residential Rules and Regulations, all as set forth in the Declaration, the By-Laws (and the Residential Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be restated and amended from time to time.

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

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

9. Leases and service, maintenance, employment, concessionaire and Storage Locker Licenses, if any, of other Units or portions of the Common Elements.

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, the Landmarks Preservation Commission, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

13. Any encumbrance as to which the Title Company (or such other New York State Land Title Association member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such

encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

14. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

15. Any lease covering the Unit(s) made from Sponsor to the Purchaser.

16. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any TCO or PCO for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Light and Air Easement dated September 1, 1888 and recorded in the City Register's office on October 16, 1888 in Liber 2164, cp 2121.

20. Notice of Designation that Property has been designated as part of a Historic District by the Landmarks Preservation Commission of the City of New York dated April 24, 1990 and recorded in the City Register's Office on May 29, 1990 in Reel 1696, Page 1972.

21. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

SCHEDULE B

INSPECTION STATEMENT

Date: _____

101 West 78th LLC
45 Rockefeller Plaza, 31st Floor
New York, New York 10111

Re: Residential Unit No: _____ ("Unit")
101 West 78 Condominium
101 West 78th Street
New York, New York 10024 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned purchaser(s) ("Purchaser") inspected the Unit which Purchaser is acquiring from Sponsor and have found the Unit to be in good condition, except as otherwise noted below:

_____

_____

_____

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed herein.

PURCHASER(S):

_____
(signature)

_____
(signature)

_____
Sponsor's Representative

SCHEDULE C

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR 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 buyer with 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 hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

SPONSOR'S DISCLOSURE

(a) Presence of lead-based paint and/or lead-based paint hazards. (check (i) or (ii) below):

(i) ___ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain on attached sheet).

(ii) ___ Sponsor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to Sponsor (check (i) or (ii) below):

(i) ___ Sponsor has provided Purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below on attached sheet).

(ii) ___ Sponsor has no records or reports 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 Protecting Your Family from Lead in Your Home.

(e) _____ Purchaser has (check (i) or (ii) below):

(i)___ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii)___ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

SELLING AGENT'S ACKNOWLEDGMENT (initial)

(f) _X_ Selling Agent has informed Sponsor of Sponsor's obligation under 42 U.S.C. 4852d and is aware of Selling Agent's independent responsibility to ensure compliance.

CERTIFICATE OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

SCHEDULE D

RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, _____ between Sponsor, Purchaser and Escrow Agent.

Re: Residential Unit No: _____ ("Unit")
101 West 78 Condominium
101 West 78th Street
New York, New York 10024 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan and in accordance with the escrow provisions contained in the Purchase Agreement.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. 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 Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth herein or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined the Purchase Agreement, Purchaser shall be obligated to reimburse Sponsor for any legal fees, expenses and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 220 East 42 Street, Suite 3302, New York, New York 10017 and whose telephone number is (212) 620-2680. As of the date of this Rider, the attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any Authorized Signatory is Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Signature Bank located at 261 Madison Avenue, New York, New York 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York.

All instruments to be deposited into the Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the Escrow Account, as applicable, and shall be accepted subject to collection. Endorsed instruments will not be accepted. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse

Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under the Purchase Agreement, rendering the Purchase Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan and the Unit may be sold to another as though the Purchase Agreement had never been made. A return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor, at its option, to exercise the remedies provided therefor under the Purchase Agreement. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser.

Deposits properly delivered to Escrow Agent will be placed in the Escrow Account within 5 business days after delivery by Purchaser to Sponsor or Selling Agent.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account (including Unit Upgrade Funds). Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser delivers the Initial Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for Deposits for Unit Upgrade Funds). If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

All Deposits, except for Unit Upgrade Funds, are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to such Deposits as per GBL § 352-h. Unit Upgrade Funds will initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrades or extras. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any of the Unit Upgrade Funds. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for upgrades or extras.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Initial Deposit. If Purchaser does not receive notice that the Initial Deposit has been placed in the Escrow Account within 15 business days after delivery of the Initial Deposit, Purchaser may cancel the Purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery or crediting of the Initial Deposit by notice delivered to Sponsor and 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, New York 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Initial Deposit, including, without limitation, the Additional Deposit or any funds in connection with any changes in the interest rate.

Escrow Agent shall maintain the Escrow Account under its direct supervision and control. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and as set forth in the Escrow

Agreement Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

All Deposit delivered subsequent to the Initial Deposit, including, without limitation, the Additional Deposit, may be delivered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. A Deposit shall be deemed delivered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of all Deposits by Sponsor or Selling Agent and the deposit thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return all Deposits. All interest will be credited to Sponsor only in the event there is a consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of July 1, 2015, the interest rate for the Escrow Bank is 0.30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

Sponsor or its agents, including any selling agents, shall deliver to Escrow Agent all Deposits within two (2) business days of delivery of any such Deposits by a Purchaser, using such transmittal forms as required by Escrow Agent from time to time. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after consummation of the Plan (as such term is defined in the Attorney General's regulations). Consummation of the Plan does not relieve Sponsor of its obligations pursuant to General Business Law Section 352-h.

Escrow Agent shall release the Deposits if so directed:

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

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

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

If the Deposits are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Deposits, Escrow Agent shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If Escrow Agent has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and Escrow Agent shall provide further written notice to both parties informing them of the release of the Deposits. If Escrow Agent receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, Escrow Agent shall continue to hold the Deposits until otherwise directed pursuant to subsections (i) through (iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

Sponsor will not object to the release of the Deposits to:

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

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

The Purchase Agreement provides that Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of all Deposits to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement.

If Sponsor elects to change the Escrow Bank and/or Escrow Agent, such change will be disclosed in a duly filed amendment to the Plan prior to transferring any Deposits.

Escrow Agent is acting merely as a stakeholder. Upon the release of any Deposits pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to such Deposits.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations. Purchaser's execution of the Purchase Agreement shall be deemed to constitute Purchaser's acceptance of the terms of the escrow provisions set forth herein and the escrow agreement set forth in the Plan. Escrow Agent shall be a signatory to the Purchase Agreement solely with respect to Escrow Agent's obligations as set forth herein and the escrow agreement set forth in the Plan

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

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section 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.

Sponsor has agreed to indemnify Escrow Agent from all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow

Agent's duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the Escrow Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

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

Escrow Agent and all Authorized Signatories submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of their obligations with respect to this Section or otherwise concerning the maintenance of or release of the Deposits from escrow.

Escrow Agent will maintain all records concerning the Escrow Account for 7 years after the release of Deposits.

2. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

3. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

4. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

5. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE TO ESCROW RIDER]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____
Name:
Title:

SCHEDULE E

AFFIDAVITS OF BONA FIDE TENANT PURCHASER AND BONA FIDE NON-TENANT PURCHASER FOR PURPOSES OF DECLARING THE OFFERING PLAN EFFECTIVE

AFFIDAVIT OF BONA FIDE TENANT PURCHASER FOR
PURPOSES OF DECLARING THE OFFERING PLAN EFFECTIVE

Name of Tenant Purchaser(s): _____

101 West 78 Condominium
101 West 78th Street
New York, New York 10024

File No. _____
Unit No. _____
Purchase Price: $_____
Deposit: $_____

STATE OF NEW YORK)
) : SS.:
COUNTY OF NEW YORK)

I/We, a purchaser[s] under the Offering Plan for the above-referenced Condominium hereby affirm, under the penalty of perjury, the following information:

1. I/We [am/are] [a] bona fide purchaser[s] as defined by the New York General Business Law § 352-eeee (the "Martin Act") because I/we am/are: [a] tenant[s] in occupancy at the above-referenced property.

2. I/we represent that I/we am/are not purchasing the Unit as an accommodation to, or for the account or benefit of the Sponsor or principals of Sponsor.

3. I/we have duly executed a Purchase Agreement and have paid the deposit as required in the Plan and any amendment thereto.

4. The Purchase Agreement I/we have executed for the above-referenced Unit does not contain any right of rescission that has not yet expired or been waived.

5. The Purchase Agreement I/we have executed for the above-referenced Unit does not permit the assignment or transfer of the rights afforded therein. [If a tenant in occupancy has assigned the Purchase Agreement, include the following, and distinguish between an assignment that is for purposes of transferring the rights to an ownership entity such as an LLC or trust on behalf of the Purchaser, if applicable:

    a. The Purchase Agreement has been signed by Purchaser as a Bona Fide Tenant in occupancy in the above-referenced property; and

    b. The assignment was not procured by the Sponsor, Selling Agent, or the managing agent of the property, and I/we represent that [I/we or a specified member of his or her immediate family will personally occupy the dwelling Unit; and

    c. I/we have obtained an assignee affidavit.]

6. I/We signed the Purchase Agreement for the above-referenced Unit in good faith, without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

7. I/we am/are not the Sponsor, Selling Agent, or a principal of the Sponsor, the Selling Agent or the managing agent nor am/are I/we related to the Sponsor, Selling Agent or the managing agent or 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, or member thereof.

_____
Tenant Purchaser

Sworn to before me this _____
day of _____, 20_____

_____
NOTARY PUBLIC

AFFIDAVIT OF BONA FIDE NON-TENANT PURCHASER
FOR PURPOSES OF DECLARING THE OFFERING PLAN EFFECTIVE

Name of Non-Tenant Purchaser(s): _____

101 West 78 Condominium
101 West 78th Street
New York, New York 10024

File No. _____
Unit No. _____
Purchase Price: $_____
Deposit: $_____

STATE OF NEW YORK)
) : SS.:
COUNTY OF NEW YORK)

I/We, a purchaser[s] under the Offering Plan for the above-referenced condominium hereby affirm, under the penalty of perjury, the following information:

1. I/We [am/are] [a] Bona Fide Purchaser[s] as defined by the New York General Business Law § 352-eeee (the "Martin Act") because I/we am/are [a] Purchaser[s] who intends that I/we or one or more members of my immediate family members intends to occupy the Unit when it becomes vacant;

2. I/we represent that I/we are not purchasing the unit as an accommodation to, or for the account or benefit of the Sponsor or principals of Sponsor;

3. I/we have duly executed a Purchase Agreement and have paid the deposit as required in the Plan and any amendment thereto;

4. The Purchase Agreement I/we have executed for the above-referenced Unit does not contain any right of rescission that has not yet expired or been waived;

5. The Purchase Agreement I/we have executed for the above-referenced Unit does not permit the assignment or transfer of the rights afforded therein, [unless the assignment is for purposes of transferring the rights to an ownership entity such as an LLC or trust on behalf of the purchaser. In such cases, state so];

6. I/We signed the Purchase Agreement for the above-referenced unit in good faith, without fraud and with no discriminatory repurchase agreements or other discriminatory inducements;

7. I/we am/are not the Sponsor, Selling Agent, or a principal of the Sponsor, the Selling Agent or the managing agent nor am/are I/we related to the Sponsor, Selling Agent or the managing agent or 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, or member thereof.

_____
Non-Tenant Purchaser

Sworn to before me this _____
day of _____, 20_____

_____
NOTARY PUBLIC

SCHEDULE F

RIDER TO PURCHASE AGREEMENT
RE: STORAGE LOCKER

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Residential Unit No: _____ ("Unit")
101 West 78 Condominium
101 West 78th Street
New York, New York 10024 ("Condominium")

1. STORAGE LOCKER LICENSE

1.1 Sponsor agrees to sell and Purchaser agrees to purchase Storage Locker #_____ for a Purchase Price of $_____. At Closing, Purchaser shall enter into a Storage Locker License to use the specific Storage Locker designated by Sponsor, the form of which is set forth in Part II of the Plan.

1.2 The Purchase Price is payable as follows:

(a) $_____, ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $_____, ("Additional Deposit"), due upon the earlier to occur of (i) 6 months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective;

(c) $_____, ("Balance of the Purchase Price"), due upon the delivery of the deed to the Unit; and

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

2. RE-DESIGNATION OF STORAGE LOCKER

Sponsor reserves the right at or prior to Closing to designate a different Storage Locker in lieu of the Storage Locker set forth above, provided the new Storage Locker is equal to or greater in size and has the same Purchase Price.

3. TEMPORARY CERTIFICATE OF OCCUPANCY ACCESS

Purchaser will be required to consummate the purchase of the Unit and the Storage Locker simultaneously at Closing, even though a Temporary Certificate of Occupancy has not been issued, and access may not be available for the Storage Locker Area of the Building. In such event, the proceeds from the sale of the Storage Locker License will be held in escrow ("Storage Locker Escrow") by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for access is available to the Storage Locker Area in which the Storage Locker is located. The Storage Locker Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Storage Locker Escrow.

4. DAMAGE TO THE STORAGE LOCKER AREA

If there is a fire or other casualty to the Storage Locker Area and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Purchase Agreement shall be deemed modified to provide for the Closing of Title with respect to the Unit only. In such event, the Balance of the Purchase Price of the Unit shall be reduced by the amount of the Deposit paid pursuant to the terms of this Rider.

5. WITHDRAWAL OF STORAGE LOCKER

As set forth in the Plan, Sponsor reserves the right to withdraw the offering of the Storage Locker. The withdrawal of the offering of the Storage Locker will be disclosed by Sponsor in an amendment to the Plan and Purchaser shall only be relieved of Purchaser's obligation to purchase the Storage Locker, but shall remain obligated to purchase the Unit. At Closing, Purchaser will receive a credit against the Balance of the Purchase Price equal to the amount allocated to the withdrawn Storage Locker, to the extent any such money has been delivered to Sponsor.

6. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

7. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

8. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

9. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE TO STORAGE LOCKER RIDER]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between 101 West 78th LLC, having an office at 45 Rockefeller Plaza, 31st Floor, New York, New York 10111 ("Grantor") and _____ having an address at _____ ("Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Residential Unit No. ____ in the building ("Building") known as 101 West 78 Condominium ("Condominium") and by the street number 101 West 78th Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated November 25, 2013, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on February 6, 2014, as CRFN#2014000048789 ("Original Declaration"), as amended and restated by such amended and restated declaration ("Restated Declaration") dated _____ and recorded _____ under CRFN _____. (The Unit is also designated as Tax Lot _____ and _____ in Block 1150 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans of the Building, certified by H.T.O. Architect, PLLC on [ARCHITECT CERT DATE], and filed with the Division of Land Records of The City of New York on [FP FILING DATE], as Condominium Plan No. 2399 and also filed in the Register's Office on [FP RECORDING DATE], as Condominium Map No. [FP MAP #] as amended by such amended Floor Plans certified by H.T.O. Architect PLLC on _____ and filed _____;

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Restated Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Restated Declaration and the Restated By-Laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

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 Restated Declaration or the Restated By-Laws is invalid under, or would cause the Restated Declaration or the Restated By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Restated Declaration and the Restated By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Restated Declaration or the Restated By-Laws, or if the Restated Declaration and the Restated By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Restated Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated _____ and recorded in the Register's office on _____ as CRFN _____.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Restated Declaration and the Restated By-Laws (and any Residential Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Restated Declaration and the Restated By-Laws (and any Residential Rules and Regulations adopted under the Restated By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Plan, the Restated Declaration or the Restated By-Laws of the Condominium.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

GRANTEE:

_____
(signature)

_____
(signature)

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A
TO RESIDENTIAL UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of 78th Street with the westerly side of Columbus Avenue (formerly Ninth Avenue);

RUNNING THENCE northerly along the westerly side of Columbus Avenue, 102 feet 2 inches to the center line of the block between 78th and 79th Streets;

THENCE westerly along said center line of the block and parallel with the northerly side of 78th Street, 100 feet;

THENCE southerly and parallel with the westerly side of Columbus Avenue, 102 feet 2 inches to the northerly side of 78th Street; and

THENCE easterly along the said northerly side of 78th Street, 100 feet to the westerly side of Columbus Avenue at the point or place of BEGINNING.

USE AND OCCUPANCY AGREEMENT

USE AND OCCUPANCY AGREEMENT

This use and occupancy agreement ("Use and Occupancy Agreement") for Unit _____ ("Unit") at 101 West 78 Condominium, located at 101 West 78th Street, New York, New York 10024 ("Premises") is made as of _____, 20___ between 101 West 78th LLC ("Sponsor") and _____ ("Purchaser") (collectively the "Parties").

BACKGROUND

A. Sponsor is the sponsor of an offering plan to convert the Premises to condominium ownership ("Offering Plan").

B. Purchaser was, as of the filing date of the Offering Plan by the New York State Department of Law ("DOL"), and is as of the date hereof, a "Bona Fide Tenant in Occupancy" (as defined in the Offering Plan) of a Residential Unit of the Premises; **[OR]** Purchaser was not, as of the filing date of the Offering Plan by the New York State Department of Law ("DOL"), and is not as of the date hereof, a "Bona Fide Tenant in Occupancy" (as defined in the Offering Plan) of a Residential Unit in the Premises.

C. The Parties executed a Purchase Agreement for Unit_____ ("the Unit") dated _____, 20___ as the same may be amended from time to time ("Purchase Agreement").

D. **[For a Tenant-Purchaser of Tenant's Unit]:** In connection with the Purchase Agreement, the Parties executed a Surrender of Lease Agreement pursuant to which Purchaser surrendered the lease to the Residential Unit the Purchaser occupied on the Filing Date of the Plan ("Tenant's Unit") and was granted the right to enter into a Use and Occupancy Agreement and obtain occupancy of the Tenant's Unit until the Closing of Title of the Tenant's Unit or the termination of the Purchase Agreement **[OR]** **[For a Tenant-Purchaser of a Vacant Unit]** In connection with the Purchase Agreement, the Parties executed a Surrender of Lease Agreement pursuant to which Purchaser surrendered the lease to the Residential Unit the Purchaser occupied on the Filing Date of the Plan ("Tenant's Unit") and was granted the right to enter into a Use and Occupancy Agreement and obtain pre-closing occupancy of the Tenant's Unit or the Vacant Unit (as applicable) until the Closing of Title to the Vacant Unit or the termination of the Purchase Agreement **[OR]** **[For Non-Tenant Purchasers]** In connection with the Purchase Agreement, the Purchaser was granted the right to enter into a Use and Occupancy Agreement and obtain occupancy of the Unit until the Closing of Title of the Unit or the termination of the Purchase Agreement.

NOW THEREFORE, it is agreed by the Parties as follows:

1. All capitalized terms used in this Use and Occupancy Agreement shall have the same meanings ascribed to them in the Offering Plan, the Purchase Agreement and Rider as amended.

2. The term ("Term") of the Use and Occupancy Agreement shall commence on _____, 20___ ("Occupancy Date") and end on a date occurring on the earlier of (a) the Closing of Title to the Unit pursuant to the terms of the Purchase Agreement, unless such date is extended in accordance with the terms of this Agreement or (b) _____,201___,unless such date is extended in accordance with this Agreement, or (c) the date that either Sponsor or Purchaser cancels the Purchase Agreement in accordance with the terms thereof.

3. Purchaser shall pay to Sponsor payments (each a "Payment") in the amount of $_____ per month to be paid on the first day of each month of the Term. If this Use and Occupancy Agreement terminates as result of the Closing of Title to the Unit, any Payment received by Sponsor for the month in which the Closing of Title takes place shall be adjusted between Sponsor and Purchaser at Closing.

4. **[For a Tenant-Purchaser of Tenant's Unit]** During the Term, Purchaser shall keep the Tenant's Unit clean and in good condition and no other persons other than Purchaser and Purchaser's Family Members may occupy the Tenant's Unit and the Tenant's Unit may not be sublet, and/or occupied by any other person without the express prior written consent of Sponsor. Purchaser shall not be permitted to harbor any pets in the Tenant's Unit, except as otherwise permitted in the Offering Plan, without Sponsor's prior written consent. Purchaser shall not be permitted to perform any alterations, modifications, renovations and/or repairs to or in Tenant's Unit without Sponsor's prior written consent.

5. **[For a Tenant-Purchaser of a Vacant Unit or for a Non-Tenant Purchaser]** Purchaser warrants that the Unit has been inspected and examined and Purchaser shall accept title to the Unit at Closing in the same condition "as is" on the Occupancy Date, except for any items set forth on the Inspection Statement executed by Purchaser and Sponsor prior to the Occupancy Date, if any.

6. It is specifically understood and agreed that Sponsor (and the Condominium Board, if this Agreement is executed after the Condominium Declaration is recorded) shall be exempt from any and all liability for any damage or injury to persons or property or arising from any cause or happening whatsoever in, on, or to the Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board (if applicable) or their respective agent(s). Commencing on the Occupancy Date and throughout the Term, Purchaser shall obtain and maintain (i) comprehensive personal liability insurance against any and all claims for bodily injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Residential Unit or any part thereof, with minimum combined single limits of liability of $300,000 arising out of any one occurrence, (ii) umbrella liability insurance with minimum combined single limit of $1,000,000 and (iii)"special causes of loss" property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments). Such insurance shall name Sponsor (and the Condominium Board, if applicable) as additional insureds and may not be cancelable without prior notification to Sponsor. Purchaser shall indemnify, defend and hold Sponsor (and the Condominium Board, if applicable) harmless from and against any and all expenses, liabilities and/or obligations (including, without limitation, reasonable attorneys' fees and disbursements) arising therefrom except if caused by the willful, affirmative acts on the part of Sponsor or the Condominium Board or their respective agents.

7. It is specifically understood and agreed that nothing contained herein shall waive or modify the rights of Sponsor or Purchaser under the Purchase Agreement in the event the parties hereto fail to close title in accordance with the terms of the Purchase Agreement.

8. The Parties acknowledge that this Use and Occupancy Agreement is not a lease and that a landlord/tenant relationship is not established by virtue of Purchaser's occupancy of the Unit, which occupancy is provided as an accommodation to Purchaser only.

9. In the event (i) that Purchaser defaults under the terms of this Use and Occupancy Agreement which default is not cured within 30 days of notice, or (ii) that the term of this Use and Occupancy Agreement expires, Purchaser agrees to vacate and deliver possession of the Unit to Sponsor in broom-clean condition within 30 days of written notice from Sponsor or its attorney ("Vacate Date"). Any furnishings or property of whatever kind or nature left by Purchaser in the Premises after the Vacate Date will be conclusively deemed abandoned by Purchaser, and the same may be removed, discarded or dealt with by Sponsor in any manner the Sponsor deems fit without liability of any nature or kind to Purchaser. Simultaneously with the execution of this Use and Occupancy Agreement, Purchaser has signed a "stipulation", which document is incorporated and made a part of this Use and Occupancy Agreement. Purchaser agrees that Sponsor may commence a summary holdover proceeding in the Civil Court of the City of New York, County of New York, against Purchaser seeking a judgment of possession and issuance of the warrant, and submit a fully executed copy of the stipulation as proof of its entitlement to a surrender and warrant. Purchaser shall consent to the jurisdiction of the Court and the Purchaser's counsel, _____, having an address at _____, shall accept service of all papers. Purchaser expressly waives the service of any preliminary notices, agrees not to interpose any defenses, denials or counterclaims in response or opposition to the holdover proceeding; and waives trial by jury. The petition may be commenced annexing a copy of this Use and Occupancy Agreement and the judgment and warrant shall be entered in accordance with the terms herein. The warrant of eviction shall issue forthwith.

10. In the event Purchaser fails to surrender possession of the Unit to Sponsor in accordance with the terms of this Use and Occupancy Agreement by the Vacate Date:

    a. Purchaser shall pay Sponsor, an additional sum of $1,000.00 per day, as penalty (and not as an occupancy charge), for each day or part thereof that Purchaser remains in possession of the Unit beyond the Vacate Date. At Sponsor's option, such amount may be deducted from the Security Deposit (defined below). This penalty shall be in addition to the Payment and any other charges set forth in this Agreement and all of the Sponsor's remedies under the Purchase Agreement, without limitation; and

    b. Purchaser agrees (i) that Sponsor, without notice, may forthwith commence the summary holdover proceeding in accordance with Paragraph 9 herein for the purpose of enforcing this Use and Occupancy Agreement; (ii) to agree in said holdover proceeding to consent to the personal and subject matter jurisdiction of the court and to waive any and all substantive defenses to the proceeding; and (iii) that Sponsor may file the Stipulation of Settlement (a copy of which is annexed hereto) with a court of competent jurisdiction and prepare a final judgment of possession and execute a warrant of eviction forthwith without any further notices to Purchaser; and

    c. Purchaser shall be liable for any and all actual and incidental costs incurred by Sponsor in recovering possession of the Unit, including, but not limited to, storage and/or disposal fees for Purchaser's belongings and reasonable attorneys' fees. At Sponsor's option, such amounts may be deducted from the Security Deposit, and Purchaser shall be liable for the remainder of such costs in excess of the Security Deposit.

11. As security for the performance of Purchaser's obligations hereunder including, without limitation, attorneys' fees, occupancy charges, repairs to the Unit caused by Purchaser's occupancy, penalties and other incidental costs and expense, Sponsor hereby acknowledges

receipt of $_____ ("Security Deposit"). The Security Deposit will be returned to Purchaser (less deductions for any charges, fees outstanding payments or reimbursements permitted under this Use and Occupancy Agreement) either upon Closing or, if the Purchase Agreement has been terminated, within 15 days after the Unit is surrendered to Sponsor.

12. Any default by Purchaser under the Use and Occupancy Agreement (which is not cured as set forth herein) shall constitute an Event of Default by Purchaser under the Purchase Agreement entitling Sponsor, to exercise any remedies provided for in the Purchase Agreement on account of such Event of Default, provided however that any default by Purchaser under the Purchase Agreement (which is not cured as set forth in the Purchase Agreement) shall constitute a default by Purchaser under the Use and Occupancy Agreement entitling Sponsor, in its sole option, to terminate the Use and Occupancy Agreement in accordance with Law. In addition to the foregoing, simultaneously with the execution of this Agreement, Purchaser shall execute and deliver to Sponsor a stipulation in the form annexed hereto ("Stipulation"), the terms of which are incorporated herein. It is expressly understood that upon any default under this Use and Occupancy Agreement or under the Purchase Agreement beyond their respective cure periods, Sponsor may commence without further notice a summary holdover proceeding in the Civil Court, New York County based on the terms of this Use and Occupancy Agreement. Purchaser consents to the jurisdiction of the Court and to the entry of a judgment of possession in favor of Sponsor and to the immediate entry of a warrant of eviction in accordance with the Stipulation.

13. Purchaser expressly acknowledges Purchaser's obligation to comply with the Condominium Declaration, By-laws and Rules and Regulations, in the event the Condominium Declaration is recorded prior to or during the Term, or to comply with such rules and policies established by Sponsor or the Managing Agent prior to the Filing Date of the Plan, in the event the Condominium Declaration is not recorded prior to the commencement of the Term.

14. If any Payment due under this Use and Occupancy Agreement is received after the 10th of the month, Purchaser shall pay to Sponsor a $150 per month late fee. If any check delivered by Purchaser to Sponsor is uncollectible for any reason, Purchaser shall pay to Sponsor a $100.000 returned check fee.

15. This Use and Occupancy Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York.

16. In the event of any inconsistency between the provisions of this Use and Occupancy Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding.

17. This Use and Occupancy Agreement may be executed in any number of original, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Use and Occupancy Agreement.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

ATTORNEYS FOR SPONSOR:

By: _____
Name:
Title:

Address: _____
_____
_____
_____

Telephone No.: _____

ATTORNEYS FOR PURCHASER:

By: _____
Name:
Title:

Address: _____
_____
_____
_____

Telephone No.: _____

STORAGE LOCKER LICENSE

STORAGE LOCKER LICENSE

AGREEMENT made this _____ day of _____, _____ ("Storage Locker License") by and between 101 West 78th LLC, having an office at 45 Rockefeller Plaza, 31st Floor, New York, New York 10111 ("Sponsor"), and the Condominium Board of 101 West 78 Condominium on behalf of all Unit Owners, having an address at 101 West 78th Street, New York, New York 10024 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as "Licensor") and _____ having an address at _____ ("Licensee");

WITNESSETH:

WHEREAS, 101 West 78 Condominium ("Condominium") is governed by a certain Amended and Restated Declaration of Condominium recorded in the Office of the Register of the City of New York, County of New York as the same has been or may be amended from time to time ("Restated Declaration"), the Amended and Restated By-laws of the Condominium, as the same has been or may be amended from time to time ("Restated By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time ("Rules and Regulations") ("Restated Declaration," the " Restated By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, the Condominium is located at 101 West 78th Street, New York, New York 10024 ("Property"); and

WHEREAS, Storage Lockers [have/has] been installed in a portion of the Property ("Storage Locker Area"); and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring Residential Unit No. _____ in the Condominium; and

WHEREAS, the Condominium Board granted Sponsor the exclusive right to sell, without charge, a Storage Locker pursuant to a Storage Locker License and the Condominium will not be entitled to any of the proceeds from such sale; and

WHEREAS, Licensee desires the right to the exclusive use of a Storage Locker ("Storage Locker") for so long as Licensee owns a Residential Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a Storage Locker License for the exclusive use of Storage Locker #____ ("Storage Locker License") and Licensee hereby accepts such Storage Locker License from Licensor for a term commencing on the date hereof.

2. The Condominium Board has the right to impose fees on Licensee in accordance with the By-Laws. [OR] [Licensee shall pay a monthly fee to Licensor in the amount of $_____.] Any fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future, shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future shall constitute a material default under the terms of the Condominium Documents.

3. The Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner and in no event shall any food or perishable items or any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance be stored in the Storage Locker.

4. Except for Sponsor and the Condominium Board, a Residential Unit Owner may not own the Storage Locker without also owning a Residential Unit.

5. Licensee shall not (a) store any property outside of the Storage Locker; or (b) allow any other Person to use the Storage Locker except in accordance with the terms hereof.

6. This Storage Locker License may be assigned by Licensee at any time provided that (i) the assignee is a Residential Unit Owner at the Condominium, (ii) the assignee assumes the obligations hereunder in the form annexed hereto, (iii) the assignee delivers notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iv) the assignee and the Licensee do not owe any outstanding monies to the Condominium. This Storage Locker License shall automatically terminate at such time as Licensee no longer owns a Residential Unit in the Condominium unless this Storage Locker License is assigned to and assumed by another Residential Unit Owner.

7. Licensee represents that Licensee has made a thorough inspection of the Storage Locker and the Storage Locker Area and agrees to take same in its "as is" condition as of the date of this Storage Locker License.

8. Licensee represents that Licensee shall, throughout the term of this Storage Locker License, maintain the Storage Locker with a proper manner of care.

9. Neither Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in the Storage Locker Area. Licensee acknowledges that the Storage Lockers and the Storage Locker Area(s) will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. Licensor, Licensor's agents or employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area(s).

10. The terms of this Storage Locker License are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Storage Locker License and the Condominium Documents shall be resolved in favor of the Condominium Documents.

11. If Licensee defaults in Licensee's obligations under this Storage Locker License or under the Condominium Documents, the Condominium Board may, in its sole discretion, elect by notice to Licensee to cancel this License, in addition to the other rights and remedies that the Condominium Board has under the Condominium Documents. If the Condominium Board so elects, Licensee shall have thirty (30) day period, from the giving of notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then this License shall be deemed terminated. Upon the termination of this License, the Condominium Board will be released and discharged of all further liability and obligations under this License, and the Storage Locker may be licensed to another as though this License had never been made, and without any obligation to account to Licensee for any of the proceeds.

12. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Condominium Board may, in addition to the rights and remedies set forth in the Condominium

Documents, (i) deny access to and use of the Storage Locker until Licensee cures such default or (ii) terminate this Storage Locker License upon written notice to Licensee.

13. The Condominium Board or its agents shall have the right, but not the obligation, to open the Storage Locker in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Storage Locker Area and to make such repairs, replacements and improvements as the Condominium Board shall deem necessary.

14. This Storage Locker License shall constitute a license only and shall not be construed under any circumstances to be a sale of the Storage Locker or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between Licensor and Licensee with respect to this Storage Locker License.

15. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's Family Members, servants, employees, agents, guests and invitees in connection with this Storage Locker License.

16. Licensee shall be obligated at its sole cost and expense to obtain and maintain insurance covering the Storage Locker in amounts sufficient to cover the property located therein.

17. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending the rights of Licensor under this Storage Locker License or, in the event Licensee defaults under this Storage Locker License beyond any applicable grace period, enforcing Licensee's obligations hereunder.

18. Neither this Storage Locker License nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

19. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Storage Locker License, which alone fully and completely express their agreement and that this Storage Locker License supersedes any and all such understandings and agreements with respect to the subject matter hereof.

20. If any provision of this Storage Locker License is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Storage Locker License and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Storage Locker License, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

21. 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 Storage Locker License 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.

22. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Storage Locker License shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any

such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Storage Locker License to be performed by Licensee.

23. Licensee accepts and ratifies the provisions of the Restated Declaration and the Restated By-Laws (and any Residential Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

IN WITNESS WHEREOF, the undersigned have executed this Storage Locker License as of the day and year first above written.

Agreed to and Acknowledged by:

LICENSOR:

101 West 78 Condominium

By: _____
Name:
Title:

LICENSEE:

_____

_____

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE made as of the _____ day of _____, _____ by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

WITNESSETH:

WHEREAS, Assignor executed a certain Storage Locker License dated _____, _____ ("Storage Locker License") to have the exclusive right to use Storage Locker # ___ ("Storage Locker") located in the Building known as 101 West 78 Condominium, located at 101 West 78th Street, New York, New York 10024, in accordance with the terms of the Condominium Offering Plan for the Building ("Plan"), as amended; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Storage Locker License; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Storage Locker License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Storage Locker License.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Storage Locker License, a copy of which is attached hereto and made a part hereof, for a Purchase Price of $_____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Storage Locker License as if Assignee had signed the Storage Locker License originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use the Storage Locker.

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Storage Locker License on the day and year first above written.

ASSIGNOR:

_____
(signature)

ASSIGNEE:

_____
(signature)

APPROVED BY:

101 West 78 Condominium

By: _____
Name:
Title:

AMENDED AND RESTATED DECLARATION OF CONDOMINIUM

AMENDED AND RESTATED DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

101 WEST 78 CONDOMINIUM

and having a street address of

101 WEST 78TH STREET
NEW YORK, NEW YORK 10024

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **101 West 78 Condominium**

Sponsor: **101 West 78th LLC**
45 Rockefeller Plaza, 31st Floor
New York, New York 10111

Date:

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
220 East 42 Street
New York, New York 10017
(212) 620-2680

The land affected by the within instrument lies in Block 1150 F/K/A Lot 1301 and 1302, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

INDEX

Article	Subject	Page
ARTICLE 1	DEFINITIONS	1
ARTICLE 2	SUBMISSION OF THE PROPERTY	1
ARTICLE 3	NAME OF THE CONDOMINIUM	2
ARTICLE 4	THE LAND	2
ARTICLE 5	THE PROPERTY AND THE BUILDING	2
ARTICLE 6	THE UNITS	2
ARTICLE 7	THE COMMON ELEMENTS	3
ARTICLE 8	DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST	5
ARTICLE 9	USE OF UNITS AND STORAGE ROOMS	6
ARTICLE 10	EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS	7
ARTICLE 11	OTHER EASEMENTS	8
ARTICLE 12	ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND THE NON-RESIDENTIAL UNIT	10
ARTICLE 13	ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD	13
ARTICLE 14	POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD	13
ARTICLE 15	TERMINATION OF CONDOMINIUM	14
ARTICLE 16	COVENANT OF FURTHER ASSURANCES	14
ARTICLE 17	COVENANTS RUNNING WITH THE LAND	15
ARTICLE 18	AMENDMENTS TO THE DECLARATION	16
ARTICLE 19	CONSENTS BY SPONSOR	19
ARTICLE 20	PERSON TO RECEIVE SERVICE	19
ARTICLE 21	INCORPORATION BY REFERENCE	19
ARTICLE 22	WAIVER	19
ARTICLE 23	SEVERABILITY	20
ARTICLE 24	SUCCESSORS AND ASSIGNS	20
ARTICLE 25	CAPTIONS	20
ARTICLE 26	CERTAIN REFERENCES	20
ARTICLE 27	GENERAL	20

Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – BY-LAWS OF THE CONDOMINIUM

E – UNIT POWER OF ATTORNEY

AMENDED AND RESTATED DECLARATION

OF

101 WEST 78 CONDOMINIUM

BACKGROUND

A. A declaration dated November 25, 2013 was recorded in the Register's Office on February 6, 2014 in CRFN 2014000048789 ("Original Declaration") as Condominium Plan #2399 establishing a plan for condominium ownership of premises having a street address 101 West 78th Street, New York, New York ("Property") pursuant to Article 9-B of the Real Property Law of the State of New York.

B. The Property is known as the 101 West 78th Street Condominium and presently consists of a Residential Unit (Tax Lot 1302) and a Non-Residential Unit (Tax Lot 1301).

C. Sponsor desires to subdivide the Residential Unit into 28 Residential Units.

D. Sponsor is the Unit Owner of the Residential Unit and the Non-Residential Unit.

E. Sponsor desires to amend and restate the Original Declaration as set forth in this First Amendment, which First Amendment supersedes the Original Declaration in its entirety.

F. This First Amendment is effectuated by Sponsor in accordance with and pursuant to Article 18 of the Declaration.

ARTICLE 1

DEFINITIONS

All capitalized terms used in the Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in the Declaration 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 said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 The Property was submitted to the provisions of the Condominium Act and pursuant thereto, a regime for the condominium ownership of the Property was established.

2.2 Excluded from the Property are any Excess Development Rights, which shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium is known as 101 West 78 Condominium.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 28 Residential Units, 18 Storage Lockers, and 1 Non-Residential Unit contained in a structure comprising eight (8) above-grade stories, one (1) below-grade level, and one (1) roof level.

5.1.1 The Residential Units will be located on Floors 3,4,5,6,7,8 and 9.

5.1.2 The Storage Lockers will be located on Floor 1 (cellar) and Floor 2 (lobby).

5.1.3 The Non-Residential Unit will be located on Floor 1 (cellar) and Floor 2 (lobby).

5.2 The Building is classified as being of fire proof construction. The Building structural system consists of brick bearing walls and steel rolled beams. Floor 9 will consist of steel columns on existing bearing walls with supporting steel girders and beams. The roof consists of an insulated roof membrane assembly (IRMA) system and pavers in certain areas of the roof above Floor 2 and Floor 9.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square footage; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 The Units were measured from the exterior side of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another unit, or separating a Unit from the public corridors, stairs, elevators and other mechanical equipment spaces or any common elements or limited common elements. Measured vertically, each Unit will consist of the volume from the top of the floor slab below (located under the finished flooring and the sub-floor materials) to the underside of the floor slab above.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Unit including Terrace doors (including, without limitation, all locks, peepholes, doorknobs and hardware), the interior walls, partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, window panes, fireplace,

firebox, dampers, mantel and flue, all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), all plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning units (including the fans inside the Units), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, water spigots located on Terraces, and any special pipes or equipment which a Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the Unit Owner after the Unit Owner acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit, including those located on Terraces and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Residential Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Unit.

6.4 The Non-Residential Unit also includes, in addition to the items listed in Section 6.3 above, to the extent located in the Non-Residential Unit, and the Non-Residential Unit Owner shall be responsible for, any elevator, escalator, staircase, freight or service entrance, driveway, ramp, canopy and all related Facilities servicing the Non-Residential Unit exclusively including, outdoor signage for the Non-Residential Unit and the exterior side of all windows in or opening from the Non-Residential Unit.

6.5 Any Common Elements located within a Unit shall not be considered a part of such Unit.

6.6 Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, subject to the provisions of the By-Laws, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and (with respect to Residential Units) to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the consistent exterior appearance, the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law.

6.7 As of the Declaration Date, fee simple absolute title shall automatically vested in Sponsor in all Units and Sponsor shall be deemed a Storage Locker Licensee with respect to all Storage Lockers.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient

to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto.

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element or the Non-Residential Unit from a Residential Unit and/or Residential Common Element and/or a Residential Limited Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element or the Non-Residential Unit, as the case may be, to the extent that the same are not expressly included as part of the Residential Common Elements pursuant to the terms of Paragraph 7.3 below or the Residential Limited Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

(iii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which service both the Residential Units and the Non-Residential Unit and/or both the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, to the extent that the same are not expressly included as a part of the Residential Common Elements pursuant to the terms of Paragraph 7.3 below or the Residential Limited Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

(iv) the pump room, fire pump room, domestic water room, telephone room, gas meter room, electrical switch gear room, steam meter room and electrical room, each of which are located on the Floor 1 (cellar).

(v) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

7.3 The Residential Common Elements consist of those portions of the Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Residential Common Elements include:

(i) all stairways, passenger elevators and their respective bulkheads, shafts, pits and equipment rooms and the residential hallways.

(ii) compactor rooms and their respective shafts and equipment.

(iii) super's office, service entrance and service corridor, each of which are located on Floor 1 (cellar).

(iv) residential lobby, exit corridors, concierge stations, package storage room, parlor, cart room, mail room, each of which are located on Floor 2 (lobby).

(v) The mechanical equipment (if any) on a portion of Floor 1 (cellar), the roof above the courtyard on Floor 2 (lobby) and the penthouse roof.

(vi) fitness center and all equipment, finishings and furniture which is located on Floor 2 (lobby).

(vii) bicycle storage rooms and storage rooms, each of which are located on Floor 1 (cellar).

(viii) pet grooming room which is located on Floor 1 (cellar).

(ix) Children's playroom and all equipment, finishings and furniture which is located on Floor 2 (lobby)

(x) the Storage Locker Area together with all the Storage Lockers are located on Floor 1 (cellar) and Floor 2 (lobby).

(xi) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Residential Unit from another Residential Unit or a Residential Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Residential Common Element from a General Common Element or a Non-Residential Unit, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Residential Common Element.

(xii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Residential Units and/or the Residential Common Elements and/or the Residential Limited Common Elements only.

(xiii) all interior portions of the Building and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms of Paragraph 7.2 above or the Residential Limited Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

7.4 The Residential Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Residential Limited Common Elements include: the Terraces adjoining certain Residential Units more particularly set forth on Exhibit "B" to the Declaration entitled "Description of Units."

7.5 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST

8.1 The undivided percentage interest of each Unit in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

8.2 The percentage interest of all Residential Units in the Residential Common Elements is apportioned in the same proportion that the Residential Units at the date of the Declaration bear to the then aggregate Common Interests of all of the Residential Units in the Condominium.

ARTICLE 9

USE OF UNITS AND STORAGE ROOMS

9.1 As more particularly set forth in, and subject to the provisions of, the By-Laws, the Residential Units shall be used for residential purposes only (excluding "dormitory," "bed and breakfast" or other transient hotel-type use). A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary, limited liability company or any other entity (including, but not limited to, the federal or state government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, member or employee of such corporation or limited liability company, or by an individual partner or employee of such partnership, or by such individual fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries and partners or employees of partnership fiduciaries) or by an individual beneficiary of said fiduciary, or an individual principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing; however, the foregoing restrictions shall not apply to Unsold Residential Units.

Upon the prior written consent of Sponsor (1) (with respect to Unsold Residential Units) or the Condominium Board (with respect to sold Residential Units), any Residential Unit may be used for any other lawful purposes, subject, however, to (2) the terms and conditions of the then existing TCO or PCO for the Building and the By-Laws, and (3) applicable Law.

9.2 The Non-Residential Unit may be used for any purpose permitted by Law, except for pornography establishments, massage parlors, drug treatment facilities and homeless shelters.

9.3 The Storage Lockers may be used only for the storage of personal effects of a Residential Unit Owner or its Permitted Users, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Locker for any purpose permitted by Law or to change the permitted use of any unassigned Storage Locker, subject, however, to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

9.5 The Storage Lockers or Storage Locker Area will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area.

9.6 Notwithstanding the foregoing or anything contained in the By-Laws or the Residential Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board, (1) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for the Building or any other governmental regulations, (2) use any Unsold Residential Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or for any other purpose, subject only to compliance with Law, (3) use any Storage

Locker for any purpose permitted by Law, and (4) lease any Unsold Residential Unit to third parties for either long term or short term stays.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of the Declaration, the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-Laws and the Residential Rules and Regulations, if applicable, Sponsor, the Residential Unit Owners, Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Residential Common Elements, and the Residential Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the Residential Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.3 The Non-Residential Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the General Common Elements or elsewhere on the Property (i) for the purpose of accessing the Non-Residential Unit or any portion of the Building servicing the Non-Residential Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing the Non-Residential Unit. In addition to the foregoing, the Non-Residential Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, subject only to Sponsor's (and LPC's, if applicable) prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Non-Residential Unit, including, without limitation, any storefronts, (ii) create additional means of egress and ingress to the Non-Residential Unit, (iii) erect, maintain, repair and replace one or more signs and lighting, of such size and content as the Non-Residential Unit Owner shall determine in the windows of the Non-Residential Unit, including, without limitation, any storefronts of the Non-Residential Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Non-Residential Unit or (b) the operation of any business for which the Non-Residential Unit is used, and (iv) use the sidewalk adjacent to the Non-Residential Unit for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event the Non-Residential Unit Owner utilizes a sidewalk adjacent to the Non-Residential Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Non-Residential Unit Owner.

10.4 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Residential Limited Common Elements shall have an exclusive easement for the use thereof. The Residential Units having the same are indicated on Exhibit B.

10.5 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Residential Common Elements (including, but not limited to, residential lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the alteration, renovation, construction, combination, reconfiguration, sale or renting of Unsold Residential Units including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Residential Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein and appurtenant thereto (including Storage Lockers) to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of the Declaration, the By-Laws or the Residential Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Residential Unit, the Non-Residential Unit Owner with respect to the Non-Residential Unit and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor, the Non-Residential Unit Owner or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on

within the Non-Residential Unit or with the use of the Residential Unit for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of the Declaration, the By-Laws or the Residential Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected. In addition, Sponsor reserves the right to install fireplace flues and mechanical equipment on the roof of the Building.

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Residential Unit, shall have an easement for ingress and egress through all of the Common Elements and Unsold Units in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Residential Units and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor, and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding Terraces and Storage Lockers) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.6 Sponsor shall have an easement for ingress and egress through all of the Common Elements for any purpose in connection with Sponsor's utilization, sale or transfer of any Excess Development Rights, including without limitation (i) effecting a zoning lot merger or division; or (ii) creating a Combined Zoning Lot or any enlargement or subdivision thereof; or (iii) effecting a sale or transfer of Excess Development Rights in any manner permitted by Law.

11.7 Subject to the terms of the By-Laws, the Non-Residential Unit Owner shall have an easement to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Non-Residential Unit in, over, under, through or upon the Common Elements or elsewhere on the Property; provided that access to the Common Elements or other portions of the Property in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Common Elements and such other portions of the Property for their permitted purposes.

11.8 The Condominium and Building shall be designated and known as 101 West 78 Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building and any intellectual property relating thereto, including without limitation, any logos, marks, websites, trademarks, copyrights or names relating to or referring to the name of the Condominium or the Building, unless otherwise prohibited by Law. Only Sponsor shall have the right to change or assign the name of the Condominium. In addition, Sponsor shall have the right to utilize other names for the Building or portions thereof for marketing and promotional purposes without the consent of the Condominium Board or the Unit Owners. 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 ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall have the right to remove the Plaque, unless mandated by Law.

11.9 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Sponsor in accordance with the Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.10 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of the Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS AND THE NON-RESIDENTIAL UNIT

12.1 Except to the extent prohibited by Law, Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(a) to make alterations, additions, improvements and/or repairs in or to the interior portions of Unsold Residential Units and their appurtenant Residential Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit.

(b) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Unsold Residential Units.

(c) without amendment to the Plan, to (i) subdivide and/or combine any Unsold Residential Unit and/or (ii) change any Unsold Residential Units in size by relocating a boundary wall between Unsold Residential Units and/or or (iii) otherwise change the size and/or number of Unsold Residential Units, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such

Unsold Residential Unit without changing the percentage of Common Interest of such Unit. In the event of a subdivision, combination, and/or change in size of any Unsold Residential Unit, Sponsor shall additionally have the right to reapportion among the affected Unsold Residential Units their respective Common Interests and to create new Residential Common Elements and/or Residential Limited Common Elements from space previously designated as a Residential Unit, Residential Common Element or Residential Limited Common Elements.

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Residential Unit:

(d) no physical modifications shall be made to any other Unit and the Common Interest and Residential Common Interest (other than Unsold Residential Units), as the case may be, or interior dimensions of any other Units (other than Unsold Residential Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto.

(e) Sponsor shall comply with Law and the terms of the Declaration and the By-Laws.

(f) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

(g) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interests of all the Units and the Residential Common Interests of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest or Residential Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Residential Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, conditioned, or delayed, any other Residential Unit Owner may be given with respect to such Residential Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interests appurtenant to any Residential Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Residential Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by the Residential Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

12.2 Except to the extent prohibited by Law, the Non-Residential Unit Owner and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(a) to make alterations, additions, improvements, or repairs in or to the interior portions of a Non-Residential Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in the Non-Residential Unit.

(b) to amend the Certificate of Occupancy of the Building with respect to the use of the Non-Residential Unit.

(c) without amendment to the Plan, to (i) subdivide and/or combine the Non-Residential Unit and/or (ii) change the Non-Residential Unit in size by relocating a boundary wall. In the event of a Subdivision, Combination, and/or change in size of the Non-Residential Unit, the Non-Residential Unit Owner shall additionally have the right to reapportion among the affected Non-Residential Units their respective Common Interests.

(d) subject only to Sponsor's (and LPC's, if applicable) prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Non-Residential Unit, including without limitation any storefronts, and (ii) create additional means of egress and ingress to the Non-Residential Unit.

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Unit:

(i) no physical modification shall be made to any other Unit, and the Common Interest and Residential Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) the Non-Residential Unit Owner shall comply with Law and the terms of the Declaration and the By-Laws;

(iii) the Non-Residential Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Any additional condominium units created as a result of a subdivision of a Non-Residential Unit will retain the same rights, privileges, and benefits afforded the original Non-Residential Unit Owner and will be subject to the same obligations imposed on the original Non-Residential Unit Owner, as set forth in the Declaration and the By-Laws. Notwithstanding the foregoing, in the event of a Subdivision of the Non-Residential Unit, the Non-Residential Unit Owner shall have the right, collectively, to designate only 1 member to the Condominium Board.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Residential Common Interests of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Non-Residential Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at the Non-Residential Unit Owner's election, by the Non-Residential Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of the Non-Residential Unit Owner.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Residential Unit Owner surrenders the Residential Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, purchases, a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 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, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents;

(b) effectuate Sponsor's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration.

(c) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of any portion of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which Sponsor deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Unsold Units.

14.2 In addition to the foregoing Section 14.1, 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, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the 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, lease or license any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Unit so leased; and

(d) acquire, mortgage, lease, sublease, license, convey or otherwise deal with the Resident Manager's Unit, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners; and

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

14.3 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney, substantially in the form set forth as Exhibit E to the Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as the Property is withdrawn from the provisions of the Condominium Act is authorized by a vote of the Non-Residential Unit Owner and 80% in number and in Residential Common Interest of all Residential Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Permitted Mortgagees representing at least 51% percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of the Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either 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 the Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of the Declaration fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to the Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board 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, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or other Person that is subject to the terms of the Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to the Declaration at the request of Sponsor or any Non-Residential Unit Owner, as the case may be, then Sponsor, or the Non-Residential Unit Owner as the case may be, is authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in the Declaration which requires the consent or approval of the Condominium Board.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of the Declaration, the By-Laws and the Residential Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of the Declaration, the By-Laws and the Residential 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 the Declaration, the By-Laws and the Residential Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from the Declaration or the By-Laws, as the

case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of the Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause 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, then such provision shall be deemed included as part of the Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of the Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of the Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS TO THE DECLARATION

18.1 Subject to the provisions contained in the Declaration or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or the Non-Residential Unit Owner, any provision of the Declaration affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners and (ii) Residential Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and the Residential Common Interest of all Residential Unit Owners, taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or the Non-Residential Unit Owner, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained in the Declaration or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or the Non-Residential Unit Owner, any such amendment, modification, addition or deletion shall be executed by either the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor set forth in the Declaration, this Section 19.1 of the Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

18.2 Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to the Declaration, the By-Laws, the Residential Rules and Regulations and the Floor Plans of the Condominium as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) a lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, the By-Laws and/or Floor Plans; or

(iv) with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property; or

(v) to relinquish any rights granted to Sponsor under the Declaration provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by a lender unless the owner of such affected Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

18.3 The Non-Residential Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record in the Register's Office or elsewhere, if required by Law, one or more amendments to the Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as the Non-Residential Unit Owner deems appropriate to effectuate the same:

(i) to reflect any changes in the Non-Residential Unit and/or the reapportionment of the Common Interest of the Non-Residential Unit resulting therefrom made by the Non-Residential Unit Owner in accordance with the terms of Article 12 hereof; or

(ii) required by (x) a lender designated by the Non-Residential Unit Owner to make a loan secured by a mortgage on the Non-Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by the Non-Residential Unit Owner to insure title to any Non-Residential Unit, as such requirements relate solely to the Non-Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors in the Declaration, By-Laws and/or Floor Plans.

(iv) to reflect any changes that solely affect the Non-Residential Unit and do not materially and adversely affect the Residential Units and/or the Residential Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by a lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

18.4 Any amendment to the Declaration may be executed; (i) if on behalf of Sponsor pursuant to the terms of Section 19.2 hereof, by Sponsor, (ii) if on behalf of a the Non-Residential Unit Owner pursuant to the terms of Section 19.3 hereof, by the Non-Residential Unit Owner, or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of the Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in the Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

18.5 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Residential Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Residential Units owned by such Residential Unit Owner by either (w) subdividing a Residential Unit into two or more separate Residential Units, (x) combining a Residential Unit into one or more Residential Units, (y) altering the boundary walls between any adjacent Residential Units owned by such Residential Unit Owner, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the owner of such Residential Unit) which exclusively benefit a Residential Unit into such Residential Unit, then the Condominium Board on behalf of such Residential Unit Owner and at the Residential Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to the Declaration and other documents which are necessary or appropriate to reflect the changes made by the Residential Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Residential Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by a lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

18.6 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor or the Non-Residential Unit Owner, if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by Sponsor or the Non-Residential Unit Owner, as the case may be, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor or the Non-Residential Unit Owner, as the case may be, unless such amendment is consented to in writing by Sponsor or the Non-Residential Unit Owner, as the case may be, or (iii) impose any discriminatory charge or fee against Sponsor or the Non-Residential Unit Owner, unless Sponsor or the Non-Residential Unit Owner shall consent to such amendment in writing.

18.7 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or the Non-Residential Unit Owner if the same relate to Sponsor or the Non-Residential Unit Owner.

18.8 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 19

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under the Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Units; and (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and (iii) a Permanent Certificate of Occupancy has been issued for the Property.

ARTICLE 20

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is designated to receive service of process in any action or proceeding, which may be brought against the Condominium and/or the Condominium Board. In the event the Condominium Board receives service of process, the Condominium Board shall promptly notify each of the Unit Owners and Permitted Mortgagees in accordance with the provisions of the By-Laws. The Secretary of State shall mail a copy of any such process served on the Secretary of State to the Condominium Board at 101 West 78th Street, New York, New York 10024, Attention: President.

ARTICLE 21

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of the Declaration as if set forth at length in the text hereof.

ARTICLE 22

WAIVER

No provision contained in the Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 24

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor and the Non-Residential Unit Owner as set forth in the Declaration and the By-Laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor and the Non-Residential Unit Owner. Sponsor and the Non-Residential Unit Owner shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 25

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Declaration or the intent of any provision hereof.

ARTICLE 26

CERTAIN REFERENCES

26.1 A reference in the Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in the Declaration refer to the entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of the Declaration.

ARTICLE 27

GENERAL

Except as required by Law, neither Sponsor nor any of its principals shall be subject to any of the restrictions and/or prohibitions with regard to the Units and/or Storage Lockers set forth in the Declaration or the By-Laws annexed hereto.

IN WITNESS WHEREOF, Sponsor has caused the Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of 78th Street with the westerly side of Columbus Avenue (formerly Ninth Avenue);

RUNNING THENCE northerly along the westerly side of Columbus Avenue, 102 feet 2 inches to the center line of the block between 78th and 79th Streets;

THENCE westerly along said center line of the block and parallel with the northerly side of 78th Street, 100 feet;

THENCE southerly and parallel with the westerly side of Columbus Avenue, 102 feet 2 inches to the northerly side of 78th Street; and

THENCE easterly along the said northerly side of 78th Street, 100 feet to the westerly side of Columbus Avenue at the point or place of BEGINNING.

EXHIBIT B TO THE AMENDED AND RESTATED

DECLARATION

DESCRIPTION OF THE UNITS

101 West 78 Condominium
101 West 78th Street
New York, New York 10024

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT. UNIT	APPROXIMATE TOTAL SQ. FT. BALCONY/ TERRACE	BLOCK 1150 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS

EXHIBIT C

DEFINITIONS

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

"Additional Deposit" shall mean the deposit in an amount as applicable, (i) in the case of a Tenant-Purchaser, equal to 10% of the Purchase Price; or (ii) in the case of a Non-Tenant Purchaser, equal to 15% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date the Purchase Agreement is executed; or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

"Adverse Effect," or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by 25% or more, (ii) materially and permanently interfere with such Unit Owner's access to the Unit, (iii) materially and permanently obstruct or degrade the view from the windows and/or Terraces of the Unit (excluding lot line windows) or (iv) otherwise materially diminish the use and enjoyment of the Unit.

"Appurtenant Interest" shall mean, 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 Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Bona Fide Tenant" shall mean (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Residential Unit or the Residential Unit is not the tenant's primary residence; and (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee subleases from a non-bona fide tenant, or has obtained written permission to purchase the Residential Unit from the bona fide tenant of record.

"Bona Fide Purchaser" shall mean a Purchaser (other than a Bona Fide Tenant) who represents that Purchaser or members of Purchaser's immediate family intend to occupy the Residential Unit when it becomes vacant.

"Building" shall mean the building located at 101 West 78th Street, New York, New York 10024.

"Buildings Department" shall mean the office of the New York City Department of Buildings or any successor agency.

"By-Laws" shall mean the by-laws governing the operations of the Condominium, substantially in the form set forth as Exhibit D to the Declaration, as the same may be amended from time to time, substantially in the form as set forth in Part II of the Plan.

"Certificate of Occupancy" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

"Closing" or "Closing of Title" shall mean the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

"Closing Date" shall mean the date on which a Closing occurs.

"Combination" shall mean the permitted combination of Units or subdivided Units in accordance with the Declaration.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their Schedule B allocations and as provided in the Declaration or in the By-Laws to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements, Residential Common Elements and Residential Limited Common Elements,

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean 101 West 78 Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean the New York Condominium Act, as amended from time to time (New York Real Property Law, Article 9-B).

"Condominium Board" shall mean the board of managers of the Condominium which will manage the affairs of the Condominium.

"Condominium Documents" shall mean the Declaration, the By-Laws, the Residential Rules and Regulations and the Floor Plans.

"Declarant" shall mean 101 West 78th LLC and its successors and assigns.

"Declaration" shall mean the instrument creating the Condominium, as the same may be restated and amended from time to time, substantially in the form set forth in Part II of the Plan.

"Department of Law" shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

"Deposits" shall mean, collectively, all deposits, advances and payments delivered by a Purchaser with or pursuant to an executed Purchase Agreement prior to the Closing of a Unit, including, without limitation, the Initial Deposit and Additional Deposit, but excluding Unit Upgrade Funds.

"Development Rights Owner" shall mean Sponsor or any Person which acquires all or any portion of the Excess Development Rights from Sponsor, if any.

"Effective Date" shall mean the date upon which the Plan is declared effective.

"Equal or Better Quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

"Exclusive Purchase Period" shall mean the exclusive 90 day period from the Presentation Date of the Plan within which a Bona Fide Tenant shall have the exclusive right to purchase the Residential Unit such Bona Fide Tenant occupies on the Filing Date at the Purchase Price set forth on Schedule A and any subsequent exclusive purchase period which may be granted by Sponsor pursuant to an amendment to the Plan.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

"First Annual Meeting" shall mean the first annual meeting of the Residential Unit Owners.

"First Closing" shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year of Condominium Operation" shall mean the first 12 months of operation of the Condominium beginning on the date of First Closing, which may be a calendar or fiscal year.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget." The First Year's Budget is sometimes referred to as "Schedule B."

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental or amended floor plans thereto.

"Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

"GBL" shall mean Section 352-e of the New York State General Business Law.

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of all of the Units or all the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Floor Plans.

"General Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements; or (ii) the establishment and/or maintenance of a general operating reserve fund for working capital, for replacements with respect to the General Common Elements.

"Initial Deposit" shall mean a deposit in an amount equal to 10% of the Purchase Price required to be delivered by Purchaser at the time Purchaser executes a Purchase Agreement for both Tenant-Purchasers and Non-Tenant Purchasers.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor, if Sponsor is offering purchase money financing, or (iv) with respect to loans secured by the Non-Residential Unit only, (x) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of Section 860D of the Internal Revenue Code, (y) any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (z) any group of lenders which shall include one or more of the foregoing.

"Institutional Mortgage" shall mean any Permitted Mortgage where the initial holder is either Sponsor or an Institutional Lender.

"Insurance Trustee" shall mean a bank or trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000 or more, from time to time appointed to serve as such by the Condominium Board.

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 1150, Lots 1301 and 1302 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean any of the following which are applicable at the time in question: laws, ordinances and codes of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, the Landmarks Preservation Commission, 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.

"LPC" shall mean the New York City Landmark Preservation Commission or any successor agency.

"Majority of Residential Unit Owners" shall mean Residential Unit Owners representing more than fifty percent (50%) in aggregate Residential Common Interest appurtenant to all Residential Units or Residential Unit Owners representing more than fifty percent (50%) in aggregate Residential Common Interests of only those Residential Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Residential Unit Owners at which a quorum is present.

"Majority of Unit Owners" shall mean Unit Owners representing more than fifty percent (50%) in aggregate Common Interests appurtenant to all Units or Unit Owners representing more than fifty percent (50%) in aggregate Common Interests of only those Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Unit Owners at which a quorum is present.

"Managing Agent" shall mean the management company or manager named in the Plan or any successor managing agent at the time in question.

"Mezzanine Lender" shall mean Delphi CRE Funding LLC, its successors and assigns or any other lender who provides mezzanine financing to the sole member of Declarant at the time in question.

"Mortgage Lender" shall mean Bank of the Ozarks, its successors and assigns or any other lender who provides mortgage financing to Declarant at the time in question. Mortgage Lender shall automatically be deemed Permitted Mortgagee.

"Mortgage Representative" shall mean not more than 3 representatives designated by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or the By-Laws.

"Non-Purchasing Tenant" shall mean a person who has not purchased a Residential Unit under the Plan and who was a tenant entitled to possession at the time the Plan was declared effective. A person who sublets a Residential Unit from a Purchaser under the Plan is not deemed a Non-Purchasing Tenant.

"Non-Residential Unit" shall mean any of the Non-Residential Unit designated as such in the Declaration together with its Common Interest.

"Non-Residential Unit Owner" shall mean the Unit Owner of the Non-Residential Unit at the time in question.

"Non-Tenant Purchaser" shall mean a Purchaser who is not a Tenant-Purchaser.

"Offeree" shall mean (a) a Purchaser who has executed and delivered a Purchase Agreement for a Residential Unit and who is not in default thereunder, (b) a Residential Unit Owner, and (c) any other Person who, pursuant to Law, is an offeree of the Plan.

"Permanent Certificate of Occupancy" or "PCO" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" shall mean any holder or guarantor of a Permitted Mortgage at the time in question.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

"Person" shall mean any natural person, partnership, corporation, limited liability company, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

"Plan" shall mean that certain Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law pursuant to the GBL and any and all amendments thereto.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the fifth day after mailing to Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), the Units, all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

"Purchase Agreement" shall mean the agreement to purchase a Unit, the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean any Person named as a Purchaser in a Purchase Agreement which has been duly executed by such Person and accepted by Sponsor.

"Register's Office" shall mean the Office of the Register of the City of New York, County of New York.

"Rent Laws" shall mean, collectively, (i) the Emergency Tenant Protection Act of 1974, as amended, (ii) the New York City Rent Stabilization Law of 1969, as amended, (iii) the Rent Stabilization Code, as amended, and (iv) any policies and procedures promulgated thereunder and any administration and/or

judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Residential Common Charges" shall mean the Common Charges allocated and assessed by the Condominium Board to the Residential Unit Owners, pro-rata, in accordance with their respective Residential Common Interests to meet the Residential Common Expenses.

"Residential Common Elements" shall mean those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Floor Plans, except with respect to the Storage Lockers, which are only available for use by the licensee of the particular Storage Locker.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and/or the Residential Limited Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Residential Limited Common Elements.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for such Unit Owner's share of the Residential Common Expenses.

"Residential Limited Common Elements" shall mean those portions of the Property (other than the Units, the General Common Elements and the Residential Common Elements), existing for the use and enjoyment of certain Residential Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Floor Plans.

"Residential Unit" shall mean any of the Residential Units designated as a Residential Unit in the Declaration together with its Common Interest. All such Residential Units are, collectively, referred to as the "Residential Units."

"Residential Unit Owner" shall mean any Unit Owner of a Residential Unit at the time in question. All such Residential Unit Owners are, collectively, referred to as the "Residential Unit Owners."

"Residential Rules and Regulations" shall mean the Residential Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws.

"Sales Center" shall mean the sales center for Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information."

"Schedule B" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget." Schedule B is sometimes referred to as the "First Year's Budget."

"Schedule B-1" shall mean the Section of the Plan entitled "Schedule B-1 for Individual Energy Costs."

"Selling Agent" shall mean the selling agent named in the Plan or any successor Selling Agent at the time in question.

"Special Assessment" shall mean the charges allocated and assessed by the Condominium Board 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), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 101 West 78th LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the earlier to occur of: (i) the Closing of Title with Purchasers under the Plan to Residential Units having at least 51% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 5 years after the First Closing, or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board.

"Sponsor's Work" shall mean the work performed by Sponsor at the Property as described in the Plan, as amended, including, without limitation, combining Units and making certain capital repairs, replacements and cosmetic improvements.

"Storage Locker" shall mean any storage locker located in the Storage Locker Area and shall include the structural framework and materials out of which the storage locker is constructed. Each Storage Locker is a Residential Common Element. Any reference in the Plan to "owning a Storage Locker" means that the Residential Unit Owner has entered into a Storage Locker License for the Storage Locker.

"Storage Locker Area" shall mean an area located in the Floor 1 (cellar) and Floor 2 (lobby) of the Building containing the Storage Lockers. The Storage Locker Area is a Residential Common Element.

"Storage Locker License" shall mean the agreement pursuant to which a Storage Locker is licensed.

"Storage Locker Licensee" shall mean any Residential Unit Owner who licenses a Storage Locker at the time in question. All such Residential Unit Owners are, collectively, referred to as "Storage Locker Licensees."

"Subdivision" shall mean the subdivision of a Unit in accordance with the Declaration.

"Temporary Certificate of Occupancy" or "TCO" shall mean a temporary certificate of occupancy for the Building and/or certain Residential Units issued by the Buildings Department.

"Tenant-Purchaser" shall mean a Bona Fide Tenant who purchases the Residential Unit which such Bona Fide Tenant occupied on the Filing Date of the Plan.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Residential Unit as a Residential Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed as part of the original construction of the Building. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces."

"Title Company" shall mean Chicago Title Insurance, having an office at 711 Third Avenue, New York, New York 10017 (telephone: (212) 880-1200, or any successor title company at the time in question.

"Unit" shall mean any of the Units designated as a Unit in the Declaration together with its Common Interest. All such Units are, collectively, referred to as the "Units."

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners."

"Unit Upgrade Funds" shall mean all amounts expended by, or reimbursable to, Sponsor for upgrades or extras requested by Purchaser and agreed to in writing by Sponsor.

"Unsold Residential Unit" shall mean any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Residential Units are, collectively, referred to as the "Unsold Residential Units."

"Unsold Residential Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

"Unsold Storage Locker" shall mean a Storage Locker owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Storage Lockers are, collectively, referred to as the "Unsold Storage Lockers."

"Unsold Unit" shall mean a Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the "Unsold Units."

"Unsold Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

"Zoning Resolution" shall mean the Zoning Resolution of the City of New York, as amended from time to time, or replacement rule, regulation or resolution pertaining to development of a zoning lot.

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

AMENDED AND RESTATED BY-LAWS OF THE CONDOMINIUM

EXHIBIT D

TO THE AMENDED AND RESTATED DECLARATION

AMENDED AND RESTATED BY-LAWS

OF

101 WEST 78 CONDOMINIUM

Prepared by:

STARR ASSOCIATES LLP
ATTORNEYS AT LAW
220 EAST 42 STREET
NEW YORK, NEW YORK 10017
(212) 620-2686

INDEX

ARTICLE 1 GENERAL 1
Section 1.1 Amended and Restated By-Laws 1
Section 1.2 Purpose 1
Section 1.3 Definitions 1
Section 1.4 Applicability of By-Laws 1
Section 1.5 Application of By-Laws 1
Section 1.6 Principal Office of the Condominium 1

ARTICLE 2 CONDOMINIUM BOARD 1
Section 2.1 General 1
Section 2.2 Status of the Condominium Board 2
Section 2.3 Principal Office of the Condominium Board 2
Section 2.4 Powers and Duties of the Condominium Board 2
Section 2.5 Certain Limitations on the Powers of the Condominium Board 6
Section 2.6 Exercise and Delegation of Powers and Duties 7
Section 2.7 Number, Election and Qualification of Members 7
Section 2.8 Term of Office of Members 8
Section 2.9 Removal and Resignation of Members 8
Section 2.10 Vacancies 8
Section 2.11 Organizational Meeting of the Condominium Board 9
Section 2.12 Regular Meetings of the Condominium Board 9
Section 2.13 Special Meetings of the Condominium Board 9
Section 2.14 Waiver of Notice of Meetings 9
Section 2.15 Quorum of the Condominium Board 9
Section 2.16 Conduct of Meetings 10
Section 2.17 Decisions by the Condominium Board 10
Section 2.18 Compensation of Members 10
Section 2.19 Common or Interested Members of the Condominium Board 10
Section 2.20 Indemnification 11

ARTICLE 3 OFFICERS 11
Section 3.1 General 11
Section 3.2 President 11
Section 3.3 Vice President 12
Section 3.4 Secretary 12
Section 3.5 Treasurer 12
Section 3.6 Election, Term of Office and Qualification of Officers 12
Section 3.7 Removal and Resignation of Officers 12
Section 3.8 Vacancies 12
Section 3.9 Compensation of Officers 12
Section 3.10 Indemnification of Officers 12

ARTICLE 4 UNIT OWNERS 13
Section 4.1 Annual Meetings of the Unit Owners 13
Section 4.2 Special Meetings of the Unit Owners 13
Section 4.3 Place of Meetings 13
Section 4.4 Notice of Meetings 13
Section 4.5 Quorum of the Unit Owners 13
Section 4.6 Conduct of Meetings 13
Section 4.7 Order of Business 14
Section 4.8 Voting 14

Section 4.9 Election of Members of the Condominium Board 15
Section 4.10 Designation of the Non-Residential Member to the Condominium Board 16
Section 4.11 Action Without a Meeting 16
Section 4.12 Title to Residential Units 16
Section 4.13 Contractual Liability of Unit Owners 16

ARTICLE 5 OPERATION OF THE PROPERTY 16
Section 5.1 Maintenance and Repairs 16
Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Units 19
Section 5.3 Alterations, Additions, or Improvements to the Common Elements 21
Section 5.4 Insurance 22
Section 5.5 Casualty or Condemnation 24
Section 5.6 Use of the Property 27
Section 5.7 Use of the Units 27
Section 5.8 Use of the Common Elements 28
Section 5.9 Use of the Storage Lockers 29
Section 5.10 Rights of Access 29
Section 5.11 Modification of the Residential Rules and Regulations 30
Section 5.12 Real Estate Taxes 31
Section 5.13 Fuel 31
Section 5.14 Water Charges and Sewer Rents 31
Section 5.15 Electricity 31
Section 5.16 Record and Audits 32

ARTICLE 6 COMMON CHARGES 32
Section 6.1 Determination of Common Expenses and Fixing of Common Charges 32
Section 6.2 Payment of Common Charges 34
Section 6.3 Statement of Common Charges 35
Section 6.4 Common Charge Deposit for Foreign Owners 35
Section 6.5 Default in Payment of Common Charges 35

ARTICLE 7 SELLING AND LEASING OF UNITS AND ASSIGNMENT OF STORAGE LOCKER LICENSES 37
Section 7.1 General 37
Section 7.2 Right of First Refusal 37
Section 7.3 Acceptance of Offer 38
Section 7.4 Failure to Accept Offer 39
Section 7.5 Termination of, and Exceptions to, the Right of First Refusal 40
Section 7.6 No Severance of Ownership 41
Section 7.7 Payment of Common Charges and fees 41
Section 7.8 Power of Attorney 41
Section 7.9 Gifts and Devises, Etc. 41
Section 7.10 Commencement of Time 41
Section 7.11 Costs and Expenses 42
Section 7.12 Sale or Lease of Non-Residential Unit 42
Section 7.13 Assignment of Storage Locker Licenses 43
Section 7.14 Working Capital Fund 43
Section 7.15 Resale Fee 43

ARTICLE 8 MORTGAGING OF UNITS 44
Section 8.1 General 44
Section 8.2 Restrictions on Mortgaging 44
Section 8.3 Notice of Unpaid Common Charges and Default 45

Section 8.4 Performance by Permitted Mortgagees 45
Section 8.5 Examination of Books 45
Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives 45
Section 8.7 Notice to Permitted Mortgagees 46
Section 8.8 Mezzanine Financing 46

ARTICLE 9 CERTAIN REMEDIES 46
Section 9.1 Self Help 46
Section 9.2 Abatement and Enjoinment 47
Section 9.3 Remedies Cumulative 47
Section 9.4 Costs and Expenses 47

ARTICLE 10 ARBITRATION 48
Section 10.1 Procedure 48
Section 10.2 Variation by Agreement 48
Section 10.3 Binding Effect 48
Section 10.4 Costs and Expenses 48

ARTICLE 11 NOTICES 48
Section 11.1 General 48
Section 11.2 Waiver of Service of Notice 49

ARTICLE 12 AMENDMENTS TO BY-LAWS 49
Section 12.1 General 49
Section 12.2 Special Amendments 50

ARTICLE 13 FURTHER ASSURANCES 51
Section 13.1 General 51
Section 13.2 Failure to Deliver or Act 51

ARTICLE 14 MISCELLANEOUS 51
Section 14.1 Inspection of Documents 51
Section 14.2 Waiver 52
Section 14.3 Conflict 52
Section 14.4 Severability 52
Section 14.5 Successors and Assigns 52
Section 14.6 Gender 52
Section 14.7 Captions 52

ARTICLE 15 TAX STATUS AS A HOMEOWNERS ASSOCIATION 52
Section 15.1 General 52
Section 15.2 Organization 52
Section 15.3 Inurement 52
Section 15.4 Residential Use 52

ARTICLE 16 REPORT TO UNIT OWNERS 53

ARTICLE 17 OWNERSHIP OF A RESIDENTIAL UNIT OCCUPIED BY A NON-PURCHASING TENANT 53
Section 17.1 Ownership Subject to Applicable Law and Regulation 53
Section 17.2 Obligations of Residential Unit Owner 53
Section 17.3 Designation of Condominium Managing Agent 53
Section 17.4 Notice of Resale 53

ADDENDUM TO THE AMENDED AND RESTATED BY-LAWS 54

AMENDED AND RESTATED BY-LAWS

ARTICLE 1

GENERAL

Section 1.1 *Amended and Restated By-Laws.* The By-Laws are hereby amended and restated in its entirety as set forth herein.

Section 1.2 *Purpose.* The purpose of the By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property was submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration the By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.3 *Definitions.* All capitalized terms used in the By-Laws that are not otherwise defined in any of the Articles of the By-Laws shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles of the By-Laws 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 capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.4 *Applicability of By-Laws.* The By-Laws are applicable to the Property and to the use and occupancy of the Property.

Section 1.5 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, the By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, the By-Laws and the Residential Rules and Regulations, as each of the same may be amended from time to time, are accepted and ratified and will be complied with.

Section 1.6 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient to the Property as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 of the By-Laws, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and the By-Laws, the Condominium Board shall

act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and the By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 of the By-Laws, the Condominium Board 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 Condominium Board shall incorporate in accordance with the terms of Section 2.4 of the By-Laws, the Condominium Board 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 Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board.*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and the By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) 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 the By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of the By-Laws.

(iv) to adopt a budget for the Condominium for each fiscal year of the Condominium, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to

defray any Residential Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Residential Common Elements be utilized to defray any General Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the Members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the General Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Residential Common Elements and/or the Residential Limited Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Residential Common Interest, of all Residential Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) and the Non-Residential Unit Owner will not be liable for the repayment of any portion of such loan; (d) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (e) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor such proportion of the then outstanding indebtedness represented or secured by such borrowing as such Unit Owner's Common Interest or Residential Common Interest, as applicable, bears to the aggregate Common Interests of all Unit Owners or Residential Common Interests of all Residential Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the required signatories.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property pursuant to the terms of Section 5.4 of the By-Laws.

(x) to settle claims under insurance policies obtained pursuant to the terms of Section 5.4 of the By-Laws, and to execute and deliver releases upon such settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of,

the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of the By-Laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Residential Unit pursuant to the terms of paragraph (C) of Section 6.2 of the By-Laws, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Residential Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Unit Owners.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Residential Units and Storage Lockers acquired by, and to sublease Residential Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Residential Unit.

(xvii) to adopt and amend the Residential Rules and Regulations and to levy and authorize collection of fines against Residential Unit Owners for violations of the Residential Rules and Regulations and the By-Laws(any such fines and fees shall be deemed to constitute Common Charges payable by Residential Unit Owners of the Residential Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and the by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and the By-Laws and (b) the terms of the Declaration and the 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 such by-laws.

(xx) to organize corporations and other legal entities to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (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 (b)

any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate,

(xxii) 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 the By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) 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 as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a tenant of a Unit Owner if such authorized guest and/or tenant does not conform to the Residential Rules and Regulations of the Condominium, as the Residential Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of the By-Laws. All costs in connection with the removal of the authorized guest and/or tenant, including reasonable attorneys' fees, costs and disbursements, shall be borne by the Residential Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of a Residential Unit or the Non-Residential Unit.

(xxvi) to establish policies and procedures with respect to the services and facilities of the Condominium, including, without limitation, the right to impose usage fees and restrictions on hours of access and use.

(xxviii) to prepare, execute and administer Storage Locker Licenses and assignments of Storage Locker Licenses and to impose license fees and/or Special Assessments in connection with Storage Locker Licenses, which shall constitute Additional Common Charges.

(xxvix) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and the By-Laws.

(xxx) to acquire in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners, Storage Locker Licenses terminated or surrendered to the Condominium.

(xxxi) to adjust the First Year's Budget to reduce the Common Charges if some or all of the services or facilities are not available at the First Closing.

(xxxii) to maintain a reserve fund in compliance with Local Law 70 for the purpose of making capital repairs and/or capital replacements to the Property.

(xxxiii) to execute and deliver to the Mezzanine Lender a recognition agreement which sets forth the agreement of the Condominium Board (a) to grant to the Mezzanine Lender the rights of a Permitted Mortgagee to receive all notices, and otherwise to be entitled to all rights, benefits and privileges of a Permitted Mortgagee as to the Unsold Units pursuant to Sections 8.3, 8.4 and 8.7 of the By-Laws; and (b) to reflect the agreement by the Condominium Board with respect to the Mezzanine Lender's rights to cure or cause to be cured any defaults by the owner of any Unsold Unit in any action or with respect to the Condominium Board's lien for any unpaid Common Charges, and as to the net proceeds of any sale or leasing of an Unsold Unit,

after reimbursement to the Condominium Board of all sums due the Condominium under the Condominium Documents and as may otherwise be reasonably requested by the Mezzanine Lender. The Condominium Board shall execute and deliver such a recognition agreement to the Mezzanine Lender contemporaneously with the First Closing and thereafter upon request of the Mezzanine Lender from time to time.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in the By-Laws, so long as Sponsor shall continue to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of first refusal to lease or purchase a Unit.

However, Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and Sponsor's written consent shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such function or the carrying out of such action is necessary to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

(B) Notwithstanding anything to the contrary contained in the By-Laws, all determinations of the Condominium Board which affect only the:

(i) Residential Units and do not materially and adversely affect the use and operation of the Non-Residential Unit shall be made by the Members of the Condominium Board elected or designated by the Residential Unit Owners; and

(ii) Non-Residential Unit and do not materially and adversely affect the use and operation of the Residential Units shall be made by the Member of the Condominium Board designated by the Non-Residential Unit Owner.

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of the By-Laws. No dispute

with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the Managing Agent, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in the By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members.* Until the First Annual Meeting held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor. From and after the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board shall consist of 6 individuals, 5 of whom shall be elected and/or designated in accordance with the terms of the By-Laws by the Residential Unit Owners (including Sponsor) (collectively, the "Residential Members"), and 1 of whom shall be designated by the Non-Residential Unit Owner ("Non-Residential Member"). Except for Members designated by Sponsor and/or the Non-Residential Unit Owner, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owners; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, members or beneficiaries of corporations, partnerships, limited liability companies, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. After the Sponsor Control Period, a majority of the Residential Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals. In addition, no individual may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board

has perfected a lien against such Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the First Annual Meeting shall expire when the 6 individuals to be elected and/or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the 6 individuals elected and qualified or designated, as the case may be, at the First Annual Meeting pursuant to the terms of Section 4.9 of the By-Laws, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members.*

(A) Any Member of the Condominium Board who was elected thereto either by the Residential Unit Owners, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Residential Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor, may be removed, with or without cause, only by Sponsor. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. Any Member of the Condominium Board who was designated by the Non-Residential Unit Owner may be removed, with or without cause, only by the Non-Residential Unit Owner. If any Member of the Condominium Board, who was designated by the Non-Residential Unit Owner, is removed, the successor shall also be designated by the Non-Residential Unit Owner. Any Residential Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Residential Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard at such meeting.

(B) Any Member of the Condominium Board may resign at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership shall be deemed to have resigned effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, disability or death of a Member who was elected by the Residential Unit Owners shall be filled by an individual who is qualified to be a Member and who is elected by a vote of the majority of the Members of the Condominium Board elected and/or designated by the Residential Unit Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held at such meeting shall be effective to fill such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, disability or death of a Member who was designated as such by Sponsor shall be filled by an individual designated by Sponsor. Any vacancy on the Condominium Board that is caused by the removal, resignation disability or death of a Member who was designated by the Non-Residential Unit Owner shall be filled by an individual designated by the Non-Residential Unit Owner.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and

until a successor shall be selected and qualified at the appropriate annual meeting of the Residential Unit Owners.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any Member of the Condominium Board may, at any time, waive notice of any meeting in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting shall constitute a waiver by the Member of notice of the time and place of the meeting. If all of the Members of the Condominium Board are present at any meeting, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, the following majority of the Members of the Condominium Board shall be present at the Condominium Board meeting:

(A) Attendance of a majority of all of the Members of the Condominium Board will be required for any business relating to the General Common Elements, the General Common Expenses, or, all or a portion of both the Residential Units and the Non-Residential Unit.

(B) Attendance of a majority of the Residential Members of the Condominium Board will be required for any business relating solely to the Residential Common Expenses, the Residential Common Elements, or, all or a portion of the Residential Units.

In connection with a meeting of the Condominium Board, one or more Members of the Condominium Board may participate in any meeting by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such

adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes of the meeting, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring at the meeting. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Members of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, the By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or the By-Laws:

(A) The vote of a majority of the Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the General Common Elements; the General Common Expenses, or, all or a portion of the Residential Units and the Non-Residential Unit.

(B) The vote of a majority of the Residential Members attending a duly constituted meeting of the Residential Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the Residential Common Expenses; the Residential Common Elements; or, all or a portion of the Residential Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting if all of the Members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No Member of the Condominium Board shall receive any compensation from the Condominium for acting as a Member.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any Member or (ii) any corporation, partnership, fiduciary, limited liability company, association, or other entity in which any Member is an officer, director, employee, partner, fiduciary, beneficiary, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) such Member was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members and noted in the minutes, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less of such Member; or (y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1 To the extent permitted by Law, the Members and officers of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 of the By-Laws. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the Members and officers of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members and officers of the Condominium Board shall have no liability to Unit Owners except that a Member or officer shall be liable for such Member's or officer's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Member and officer of the Condominium Board against any liability or claim except those arising out of such Member's or officer's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member or officer, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 Neither the Condominium Board nor any Member or officer shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member or officer; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any officers of the Condominium.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as the

President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President*. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary*. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer*. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers*. Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor or the Non-Residential Unit Owner. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers*. Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies*. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers*. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers*. Each officer shall be indemnified as set forth in Paragraph 2.20 of the By-Laws.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners*. The First Annual Meeting shall be held approximately 30 days after the earlier to occur of (i) the 5th anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan of Residential Units representing at least 51% in Common Interest of all Residential Units offered for sale. At such meeting, a 6 Member Condominium Board shall be elected and/or designated. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the First Annual Meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect and/or designate successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners*. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings*. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings*.

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to the By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of the proposed amendment.

Section 4.5 *Quorum of the Unit Owners*. Except as otherwise provided in the By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which 40% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings*. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure

acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, the By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business.* The order of business at all meetings of the Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting.*

(A) Subject to the terms of Section 4.9 of the By-Laws, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each percentage of Common Interest attributable to such Unit Owner's Unit.

(B) Notwithstanding the terms contained in paragraph (A) above, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Unit Owner with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at

which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the Unit Owner and delivered to the Secretary of the Condominium at or before the appointed time for the meetings during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary or, if such revocation is made at a meeting of the Unit Owners during which the Secretary is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor, no designation to act as a proxy shall be effective for a period in excess of 6 months after the date of the proxy.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for Members of the Condominium Board, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit per Member to be elected. However, nothing shall be deemed to permit any Unit Owner to cumulate the votes attributable to the ownership of a Unit in favor of any 1 or more Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 of the By-Laws shall apply to all elections of Members of the Condominium Board.

(B) All elections of Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number of the Unit owned by the voting Unit Owner; (iii) the percentage of Common Interest appurtenant to the Unit; and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Residential Units as it sees fit. However, at elections of Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate all of the Residential Members to the Condominium Board. Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Sponsor Control Period.

After the Sponsor Control Period, Sponsor, as owner of Unsold Residential Units, shall continue to have the right to vote all of the Common Interests attributable to Unsold Residential Units and shall designate no more than 2 Residential Members, for so long as the Common Interests attributable to the Unsold Residential Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests attributable to all Residential Units; and thereafter, 1 Residential Member, for so long as Sponsor owns at least 1 Unsold Residential Unit. There is no restriction on the right of Sponsor to vote for Residential Members of the Condominium Board who are not related to, or affiliated with, Sponsor.

(E) Within 30 days after the Sponsor Control Period, 1 of the 3 Residential Members of the Condominium Board who were designated by Sponsor shall resign and their replacement shall be filled by a vote of the Residential Unit Owners (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) at a special meeting called for such purpose.

Section 4.10 *Designation of the Non-Residential Member to the Condominium Board.* The Non-Residential Unit Owner shall be entitled to designate 1 Non-Residential Member to the Condominium Board.

Section 4.11 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interest whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to the By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate for a period of 2 years.

Section 4.12 *Title to Residential Units.* Title to a Residential Unit may be taken by any Person or by any 2 or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Residential Unit to a corporation, partnership, limited partnership, trust, limited liability company or any other entity (including any entity or Person entitled to diplomatic or sovereign immunity) shall require the delivery to the Condominium Board or the Managing Agent at Closing (i) any and all documents as are reasonably requested by the Condominium Board, including, without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current Common Charges for such Residential Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions contained in the By-Laws. The foregoing provisions shall not be applicable to initial sales of Residential Units pursuant to the Plan unless required by Sponsor, in its sole and absolute discretion.

Section 4.13 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any Member or officer of the Condominium, or by Managing Agent shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners in the case of a contract relating to the General Common Elements, (ii) such proportionate share of the total liability as the Residential Common Interest of such Residential Unit Owner in the case of a contract relating to the Residential Common Elements, and (iii) such Unit Owner's interest in the Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in the By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof, including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Unit (including HVAC filters and parts), window panes, fireplace, firebox, dampers, mantel and flue, all entrance doors and Terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 of the By-Laws, but excluding any other Common Elements contained therein, shall be performed by Residential Unit Owner at its sole cost and expense (except for any skylights, located in a Unit which shall be performed by the Condominium Board at the sole cost and expense of such Unit Owner);

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 of the By-Laws) shall be performed by the Condominium Board and the sole cost and expense shall be charged to all Unit Owners as a General Common Expense;

(iii) in or to the Residential Common Elements (with the exception of the Storage Lockers and Residential Common Elements incorporated into one or more Residential Units pursuant to the terms of paragraph (B) of Section 5.8 of the By-Laws) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense; and

(iv) in or to the Residential Limited Common Elements shall be performed (a) by the Condominium Board as a Residential Common Expense, if involving 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 Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements, (including, without limitation, the removal of snow, ice and accumulation of water on any Terrace).

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms of the By-Laws. All painting, decorating, maintenance, repairs and replacements performed under this Section 5.1(A) or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any other Unit Owners or the tenants and occupants of any other Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements and/or the Residential Limited Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of the By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required in the By-Laws.

(C) 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 roof, Terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth in the By-Laws, and such Unit Owner or the Condominium Board, 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. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements, except that the cost of such maintenance and repair shall be borne by the Non-Residential Unit Owner if the Non-Residential Unit Owner is utilizing the sidewalks in connection with the operation of the Non-Residential Unit.

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. Any replacement of any glass window appurtenant to a Residential Unit because of breakage or otherwise shall be made at the sole cost and expense of such Residential Unit Owner, including, without limitation, the expense of an exterior hoist if the replacement window does not fit into the elevator (unless such breakage is caused by the Condominium Board or another Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner must obtain the prior approval of the Condominium Board with respect to the type of replacement windows installed. With respect to windows located in the Non-Residential Unit, the Non-Residential Unit Owner shall be responsible, at its sole cost and expense, for washing, cleaning, repairing, and replacing of the interior and exterior glass surfaces of all windows located in the Non-Residential Unit (unless the breakage is caused by the Condominium Board or another Unit Owner, in which event the replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner, as the case may be).

The public areas of the Building as well as the private areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Residential Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Residential Unit Owner's Residential Unit. To promote a consistent appearance of the Building from the outside, (x) no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit, in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board; and (y) all window treatments in a Residential Unit must contain white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or the By-Laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of

such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Residential Unit or its appurtenant Residential Limited Common Elements without the prior approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in paragraph (D) of this Section 5.2 and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve Unit Owner's contractors and materialmen. In connection with such alterations, additions, improvements and/or repairs, each Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor in connection with a Residential Unit Owner's alterations, additions, improvements or repairs to such Residential Unit. The Condominium may impose charges upon the Residential Unit Owner (other than Sponsor) to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however: (x) Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan and without payment of any fee to the Managing Agent, to (i) make alterations, additions, improvements, or repairs in or to the Unsold Residential Units and their appurtenant Residential Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit, and (ii) without amendment to the Plan, subdivide and/or combine any Unsold Residential Unit and/or change any Unsold Residential Unit in size by relocating a boundary wall between Unsold Residential Units (including incorporating Common Elements (such as a portion of a hallway and service areas) and/or or otherwise change the size and/or number of Unsold Residential Units and (y) the Non-Residential Unit Owner and its Permitted Users shall have the right, pursuant to the terms of Article 12 of the Declaration, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan and without payment of any fee to the Managing Agent, to (i) make alterations, additions, improvements, or repairs in or to the Non-Residential Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in the Non-Residential Unit, and (ii) subdivide and/or combine the Non-Residential Unit and/or change the Non-Residential Unit in size by relocating a boundary wall between Non-Residential Units. All Unit Owners, including Sponsor and the Non-Residential Unit Owner, prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its

appurtenant Residential Limited Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Residential Limited Common Elements (but other than that of the nature described in paragraph (B) of this Section 5.2), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof of this Section 5.2.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited 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 paragraph (C) of this Section 5.2; (ii) to any contractor, subcontractor, materialperson, 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 making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements, if any, 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.

(E) In addition to the requirements set forth above in this Section 5.2, Sponsor no longer owns an Unsold Residential Unit, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Common Elements without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining any amendment to the Permanent Certificate of Occupancy;

(ii) the Residential Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) 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;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) 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 Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Residential Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining any amendment to, or extension of, the Permanent Certificate of Occupancy issued, as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) 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 Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Residential Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Residential Unit Owner's workers and suppliers, until the Residential Unit Owner complies with the same. During the period until the Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to the Residential Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining any amendment to the Permanent Certificate of Occupancy, whether or not such work shall be in compliance with the Plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Residential Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements*. Except as otherwise provided in the Declaration or in the By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or Residential Limited Common Elements. However, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements or the Residential Common Elements and/or the Residential Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or the Residential Limited Common Elements (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interests or Residential Common Interests, as applicable, at a duly constituted meeting of the Unit Owners or the Residential Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in the By-Laws, all such alterations, additions, or improvements costing $500,000 or less, in any

fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of all Residential Units.

Section 5.4 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board, at or prior to the First Closing, shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building excluding the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings). Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 of the By-Laws.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 of the By-Laws; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request.

(B) The Condominium Board, at or prior to the First Closing, shall also obtain and maintain, to the extent it deems practicable:

(i) commercial general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from

occurrences within the own Unit or its Residential Limited Common Elements or Storage Locker, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Condominium and Managing Agent;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance; and

(xi) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of the By-Laws, shall be borne by the Unit Owners as a

General Common Expense or the Residential Unit Owner's as a Residential Common Expense, depending on the item to which the coverage relates.

(E) For so long as Sponsor owns at least 1 Unsold Residential Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) Residential Unit Owners are required to carry other insurance, at their expense, in amounts determined by the Condominium Board in its sole discretion, insuring the contents of their Units, the Residential Limited Common Elements appurtenant thereto, and any Storage Lockers as well as liability insurance with respect to acts occurring therein. All such policies shall contain waivers of subrogation and provide that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds. For so long as Sponsor owns at least 1 Unsold Residential Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Residential Common Elements and/or Residential Limited Common Elements, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Residential Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Residential Common Elements, the Residential Limited Common Elements and the Residential Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Residential Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that the Unit Owner may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Residential Limited

Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 of the By-Laws, to supervise any redecorating of the Unit or of such Residential Limited Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the General Common Elements and against all Residential Unit Owners, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. However, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Residential Unit Owners in proportion to their respective Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Residential Limited Common Elements, and to the Non-Residential Unit Owner, to the extent allocated to destroyed or damaged portions of the Non-Residential Unit, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens. Notwithstanding anything to the contrary set forth herein, any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. The Condominium Board shall not be required to take any action to obtain the consent of the Permitted Mortgagees or Mortgage Representatives as set forth in this Section 5.5(D) other than the requirements set forth in Section 8.7 of the By-Laws. The provisions of this Section

5.5(D) may not be amended, modified or deleted without the prior written consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration or (ii) 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 Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest and Residential Common Interest, where applicable, appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest and new Residential Common Interest, where applicable, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and new Residential Common Interest, where applicable, 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 and Residential Common Interest, where applicable, of the other remaining Units shall be adjusted accordingly and reflected in a duly filed amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work;. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior approval of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of the Non-Residential Unit, and not as a result of the typical uses for which the Non-Residential Unit may be occupied or for which commercial spaces in similar Building is normally occupied, the Non-Residential Unit Owner shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) 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 will structurally change the Building, except as is otherwise provided in the Declaration or in the By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C) and (D) of this Section 5.7, each Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time, and not more than one family may occupy a Residential Unit at any one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity (including, but not limited to, any federal or state agency, any foreign government and any embassy, consulate or other official representative thereof) may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder or employee of such corporation, or by an individual partner or employee of such partnership, or a member or employee of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members). Sponsor (with respect to the Unsold Residential Units) or the Condominium (with respect to sold Residential Units) may, in their sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased. The Non-Residential Unit may be used for any purpose permitted by Law.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) of this Section 5.7, provided that the nature and manner of such use is permitted by, and complies with Law and does not violate the Permanent Certificate of Occupancy. Any such consent shall be in writing and shall be personal to such Residential Unit Owner. Any lessee of, or successor in title to, such Residential Unit Owner shall be required to obtain the prior approval consent of the Condominium Board before using such Residential Unit for any purpose other than that set forth in paragraph (B) of this Section 5.7.

(D) Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Residential Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Residential Units as model Units and offices for the sales promotion, rental, management and operation of the Unsold Residential Units or for any other purpose, subject only to compliance with Law.

Section 5.8 *Use of the Common Elements.*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as Storage Locker Areas) without the prior approval of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner of more than 1 Residential Unit, which are the only Residential Units serviced or benefited by any Residential Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld, conditioned, or delayed), have the right to use such Residential Common Elements exclusively, as if it were a part of such Residential 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 Interest shall be made by reason thereof. In such event, however, such owner shall, at such owner's sole cost and expense, (i) operate, maintain and repair such Residential Common Element for so long as such owner exercises such exclusive right of use and (ii) restore such Residential Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as Sponsor owns an Unsold Residential Unit. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Property chosen by Sponsor; (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 (such as lobbies, corridors and the like), to improve, alter, sell, lease, manage, or

operate Unsold Residential Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to exercise Sponsor's rights and comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Residential Unit, the Condominium Board shall have the right, to lease, sublease, license, sell or otherwise convey to a Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements are reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.9 *Use of the Storage Lockers.*

(A) A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein.

(B) The Condominium Board has the authority to promulgate additional rules regarding the use of, insurance coverage for, and access to the Storage Lockers and the Storage Locker Area and the procedures for assigning such Storage Lockers including restrictions on the hours of access and use. A Residential Unit Owner may transfer or surrender a Storage Locker License to the Condominium Board which shall be authorized to reissue such Storage Locker License to another Residential Unit Owner for such consideration as the Condominium Board shall deem appropriate.

(C) Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Storage Locker for any purpose, permitted by Law or to change the permitted use of an Unsold Storage Locker. Except for Sponsor and the Condominium Board, a Storage Locker may not be licensed independently of a Residential Unit.

(D) The Storage Lockers and the Storage Locker Arear will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Storage Locker Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area.

Section 5.10 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent 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 the Unit and its appurtenant Residential Limited Common Elements, if any, and any Storage Locker and the Storage Locker Area for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults under the By-Laws or the Declaration or violations of the Residential Rules and Regulations committed by a Unit Owner or correcting any

conditions originating in the Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit, the Storage Locker, the Storage Locker Area or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another 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 1 day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of the Non-Residential Unit Owner or other occupants of the Non-Residential Unit or with the use of the Residential Units and their appurtenant Residential Limited 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.

(B) Each Unit Owner shall grant a right of access to the Unit and its appurtenant Residential Limited Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of exercising Sponsor's rights and fulfilling 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 Residential Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Residential Limited Common Elements, if any, for their permitted purposes.

(C) Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Storage Lockers and the Storage Locker Area) for the purpose of exercising Sponsor's rights and fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use commercially reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein.

Section 5.11 *Modification of the Residential Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Residential Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Residential Rules and Regulations shall be furnished to all Residential Unit Owners not less than 30 days prior to the effective date thereof. The Condominium Board shall not have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations if the same would materially and adversely affect Sponsor and/or the Non-Residential Unit Owner, without the prior written consent of Sponsor or the affected Non-Residential Unit Owner.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City of New York, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board 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 5.13 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) the Non-Residential Unit Owner as a General Common Expense for such portion attributable to the Non-Residential Unit, and (c) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or the Residential Common Elements and/or the Residential Limited Common Elements. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a General Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City of New York, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or Residential Common Elements and/or Residential Limited Common Elements, and (b) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements. In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

Section 5.15 *Electricity.*

(A) Electricity for each Residential Unit and the Non-Residential Unit (including Permitted Users of the Non-Residential Unit) shall be either individually direct metered or submetered.

(B) If individually direct metered, each Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof) and in the Residential Limited Common Elements to which such Residential Unit has exclusive access.

(C) If the Residential Units or the Non-Residential Unit are submetered, each Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of the By-Laws.

(D) Electricity for the Residential Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Residential Unit Owners as Common Charges.

(E) In addition, the cost of submetering shall be a Residential Common Expense if pertaining to Residential Units and a General Common Expense if pertaining to all Units.

(F) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of the By-Laws.

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of the Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgagees having an interest in such Unit.

(B) Within approximately 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a General Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 of the By-Laws; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to paragraph (E) of this Section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. However, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Sponsor Control Period solely as a result of either reducing the

number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the First Closing except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on the First Closing, except with the concurrence of a majority of the Members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 of the By-Laws, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests and all Special Assessments relative to the Residential Common Elements and/or the Residential Limited Common Elements shall be levied against all Residential Unit Owners in proportion to their Residential Common Interests, except Special Assessments relating to the Storage Lockers, which shall be levied solely against all Residential Unit Owners owning such Storage Lockers. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.5 of the By-Laws).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element, or Residential Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Residential Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements, or the Residential Limited Common Elements, as appropriate for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expense attributable to the Residential Common Elements or the Residential Limited Common Elements depending on whether the excess relates to the General Common Elements or the Residential Common Elements or the Residential Limited Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Residential Common Interests, as appropriate and any such distributions must be made out of the Common Charges collected from Unit Owners.

(E) Common Expenses have been allocated amongst the Residential Units (in the aggregate) and the Non-Residential Unit, on the basis of usage rather than Common Interest. The First Year's Budget sets forth the percentage for each line item, if any, to be paid for by the Residential Units and the Non-Residential Unit, which percentages are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the consent of the Non-Residential Unit Owner. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis.

Section 6.2 *Payment of Common Charges.*

(A) All Unit Owners (including Sponsor with respect to Unsold Residential Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 of the By-Laws at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of Section 6.2, during the Sponsor Control Period, the Condominium Board, in its sole discretion, shall have the right to waive all Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid by Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board shall remain obligated to update the budget in accordance with Law.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 of the By-Laws. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Residential Common Expense, collectible from all those who are Residential Unit Owners at the time the same is levied. In the case of the Non-Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Non-Residential Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(D) Subject to the terms and conditions contained in the By-Laws, any Residential Unit Owner may convey the Residential Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to the Residential Unit have been paid; (ii) the Residential Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to the Residential Unit. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unsold Residential Unit thereafter accruing unless the aggregate Residential Common Interests then appertaining to the Unsold Residential Units constitute 15% or less of the total Residential Common Interests then appertaining to all Residential Units, at least 5 years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Residential Unit being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 of the By-Laws, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 of the By-Laws; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Residential Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to 2 times the then current annual Common Charges for the Residential Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, the Residential Unit, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such Residential Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. If the Condominium Board applies or retains any part of said security, the Residential Unit Owner in question, within 10 days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 10 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to attorneys' fees, costs and disbursements, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board,

the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS AND ASSIGNMENT OF STORAGE LOCKER LICENSES

Section 7.1 *General.* Subject to the terms of Section 7.5 of the By-Laws, each Residential Unit Owner may (i) sell the Residential Unit and (ii) lease the Residential Unit for periods of not less nor more than 1 year, provided however, no Residential Unit Owner may sell or lease the Residential Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board. Any purported sale or rental consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Residential Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs. However, a Residential Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited for a period of 12 months from the Closing of the Sponsor sale ("Sponsor Sale") from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale or rental, or (iv) entering into a contract, lease or other agreement for the sale or rental of the Residential Unit or reselling or renting the Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale"). Unless it would constitute a prohibited discriminatory inducement, the prohibitions set forth in (i) through (iv) above may be waived by Sponsor upon the Residential Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 of the By-Laws, any contract to sell a Residential Unit together with its Appurtenant Interests and any lease of a Residential Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell the Residential Unit, together with its Appurtenant Interests, or to lease the Residential Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 of the By-Laws. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 30 days (in the event of a proposed sale) and 30 days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Residential Unit together with its Appurtenant Interests or to lease such Residential 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 Residential Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Residential Unit without the prior approval of a Majority of all Unit Owners.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law in connection with its exercise of its right of first refusal with respect to the sale or rental of a Unit.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 of the By-Laws, to purchase a Residential Unit together with its Appurtenant Interests, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Residential Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Residential Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Residential Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 of the By-Laws and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may

be. At the Closing of Title, the Offeree Unit Owner shall convey the Residential Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Residential Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, all New York State and New York City Transfer Taxes, including Mansion Taxes) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the Closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Residential Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

(C) In the event that such Residential Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Residential Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 of the By-Laws within the respective times set forth in paragraph (C) of the By-Laws, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within 60 days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 7.2, 7.3 and 7.4 of the By-Laws, but not more often than once in any 12 month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Residential Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included in the By-Laws.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior approval of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior approval of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 of the By-Laws have been met by a Residential Unit Owner or that the right of first refusal provided for in the By-Laws has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Residential Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 of the By-Laws. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of Sections 7.2 of the By-Laws have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 of the By-Laws be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 of the By-Laws) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 of the By-Laws shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Appurtenant Interests, by:

(i) the Residential Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Condominium Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing such person's affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof:

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

(vi) the Non-Residential Unit Owner;

(C) provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of this Article 7.

(D) The terms and conditions contained in Section 7.2, 7.3, 7.4 and 7.7 of the By-Laws shall not apply with respect to any sale, lease or conveyance of the Non-Residential Unit, together with its Appurtenant Interests.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges and Fees.* No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have (i) paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board and (iii) paid in full to Sponsor the Resale Fee set forth in Section 7.15 of the By-Laws. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale of a Unit, a sale may take place notwithstanding the foregoing. Notwithstanding the foregoing, the imposition of any fees by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units shall not apply to the sale lease, sublease, license or conveyance of a Residential Unit by the reasons set forth in subsections 7.5(B) (ii), (iii), (iv), (v) and (vi) of this Article 7.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, substantially in the form set forth as Exhibit E to the Declaration.

Section 7.9 *Gifts and Devises, Etc..* Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in Section 7.2 of the By-Laws for which the Condominium Board has to waive its right of first refusal shall not commence until

such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Residential Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees, costs and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the defaulting Unit Owner as an Additional Common Charge.

Section 7.12 *Sale or Lease of Non-Residential Unit .*

(A) The Non-Residential Unit Owner may sell, lease or convey the Non-Residential Unit without the consent of the Condominium Board, the Managing Agent, the other Unit Owners or any other Person.

(B) Any proper officer conducting the sale of the Non-Residential Unit in connection with the foreclosure of a mortgage or other lien covering the Non-Residential Unit or delivering a deed in lieu of such foreclosure, or any Permitted Mortgagee or its nominee, who has acquired title to the Non-Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof in a bona fide transaction shall have the same rights as the Non-Residential Unit Owner to sell or lease the Non-Residential Unit as provided in paragraph (A) above.

(C) Upon the written request of the Non-Residential Unit Owner, the Condominium Board shall deliver to the Non-Residential Unit Owner or any designee, a statement ("Estoppel Certificate") indicating that the Non-Residential Unit Owner is current in its payment of all amounts due under the Declaration and the By-Laws, that no written notice of default has been sent to such requesting party and to the knowledge of the Condominium Board, no such default exists. Any such statement may be relied upon by any mortgagee or purchaser of the Non-Residential Unit. In addition, upon the written request of the Non-Residential Unit Owner accompanied by such documentation as is reasonably sufficient to allow the Condominium Board to proceed as hereinafter described, the Condominium Board will enter into a non-disturbance and attornment agreement ("Non-Disturbance Agreement") in a form reasonably satisfactory to such requesting Unit Owner with any tenant ("Tenant") of the Non-Residential Unit Owner which provides that: (i) the Tenant shall be entitled to continued undisturbed possession of such Unit or portion thereof leased by such Tenant, (ii) the Tenant's rights and privileges under the lease for such Unit or portion thereof ("Lease") shall not be diminished or interfered with by the Condominium Board for any reason whatsoever during the term of the Lease or any extensions or renewals thereof, and (iii) except as provided in the last paragraph of this paragraph (C), the Condominium Board will not join the Tenant as a party defendant in any action or proceeding to foreclose upon the Unit or to enforce any rights or remedies of the Condominium Board under the Declaration and the By-Laws which would cut-off, destroy, terminate or extinguish the Lease, provided that (a) the Tenant is not in default (beyond any applicable grace periods) in the payment of rent or additional rent or in the performance or observance of any of the other terms, covenants, provisions or conditions of the Lease, (b) the Tenant is not in default of any of the provisions of the Declaration and By-Laws, both at the time of the request and at the time of execution of the Non-Disturbance Agreement, (c) the Lease is in full force and effect, (d) the Tenant attorns to the Condominium Board and pays to the Condominium Board, all rentals and other monies due and to become due to the Non-Residential Unit Owner, under the terms of the Lease but only to the extent of a percentage of the unpaid Common Charges due from the Non-Residential Unit Owner, equal to the percentage of the total square footage of the Non-Residential Unit leased by such Tenant, it being

understood that without affecting the Tenant's rights and protection afforded by the Non-Disturbance Agreement, the Tenant shall not be required to pay any rentals or other monies otherwise due or to become due to the Non-Residential Unit Owner to the Condominium Board if such payment is prohibited by the terms of any non-disturbance agreement granted to such Tenant by the mortgagee of any such Non-Residential Unit holding a first mortgage on the Non-Residential Unit. The Non-Disturbance Agreement shall be executed by the Tenant and the Condominium Board and prepared by the Condominium Board at the expense of the Unit Owner requesting the Non-Disturbance Agreement, which expense shall be limited to reasonable actual out-of-pocket expenses incurred by the Condominium Board, including attorneys' fees, costs and disbursements.

Notwithstanding the foregoing, if it would be procedurally disadvantageous for the Condominium Board not to name or join the Tenant in a foreclosure proceeding with respect to the Non-Residential Unit, the Condominium Board may name or join the Tenant without in any way diminishing or otherwise affecting the rights and privileges granted to, or inuring to the benefit of, the Tenant under this Article.

Section 7.13 *Assignment of Storage Locker Licenses.*

(A) Except for Sponsor, no Residential Unit Owner shall be permitted to assign, convey or lease any Storage Locker to anyone other than a Residential Unit Owner or its Permitted User. A Storage Locker License may be assigned by a Residential Unit Owner at any time (and not subject to any right of first refusal by the Condominium Board) provided (i) the assignee is another Residential Unit Owner; (ii) the assignee assumes the obligations under the Storage Locker License; (iii) notification of the assignment is promptly delivered to the Condominium Board in compliance with its requirements; and (iv) all unpaid Common Charges and Special Assessments and other obligations due to the Condominium have been paid in full.

(B) If the Condominium Board terminates a Storage Locker License or a Residential Unit Owner surrenders a Storage Locker License without assigning the Storage Locker License to another Residential Unit Owner, the Condominium Board shall have the right to issue a new Storage Locker License for the Storage Locker to another Residential Unit Owner, in its sole discretion and the surrendering Unit Owner shall not be entitled to any compensation.

Section 7.14 *Working Capital Fund.* At the time of acquiring title to a Residential Unit and as a condition thereof, the new Residential Unit Owner shall be required to make a contribution to the Working Capital Fund of the Condominium in an amount equal to 2 months' Common Charges assessed against the Residential Unit at the time in question. This provision shall not apply to purchases of Residential Units by Sponsor. In addition, except for Sponsor, Residential Unit Owners of Residential Units occupied by Non-Purchasing Tenants (as such term is defined in General Business Law Section 352-eeee) shall be required to deposit with the Managing Agent at the Closing of the Residential Unit Owner's acquisition of the Residential Unit, a sum not less than the greater of 2 months' rent under the Non-Purchasing Tenant's lease or occupancy agreement and 2 months' Common Charges, to be used as working capital to furnish such services and facilities to the Non-Purchasing Tenant of the Residential Unit as may be required by Law until such time as such Non-Purchasing Tenant's right to occupy terminates. Upon written notice from the Managing Agent or the Condominium Board that such deposit has been diminished, the Residential Unit Owner shall replenish the fund within 30 days thereafter. The Residential Unit Owner shall irrevocably appoint the Managing Agent as the Residential Unit Owner's agent, coupled with an interest to provide such services and facilities to the Non-Purchasing Tenant at the Residential Unit Owner's expense.

Section 7.15 *Resale Fee.*

(A) Each Residential Unit Owner who acquired a Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to sell such Residential Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit per the Resale Agreement ("Resale Price") less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by the Residential Unit Owner, and (iii) actual legal fees not exceeding $5,000, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. Set forth below is an example of the calculation of a Resale Fee:

Resale Price:	$	4,500,000
- *less* Brokerage Commissions	($	270,000)
- *less* Transfer Taxes	($	82,125)
- *less* Legal Fees	($	5,000)
Net Profit	$	4,142,875
- *less* Sponsor Sale Price	($	3,000,000)
Gross Profit	$	1,142,875
x 50% = Resale Fee	$	571,438

(B) The Resale Fee shall be paid to Sponsor by wire transfer at the Closing pursuant to the Resale Agreement. Any deductions for allowable expenses paid by a Residential Unit Owner must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable. The obligation to pay a Resale Fee shall survive the Closing of the Sponsor Sale.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage the Unit, subject only to the terms and conditions contained in Section 8.2 of the By-Laws. Any Unit Owner who mortgages the Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units." The terms and conditions contained in this Section 8.1, however, shall not apply to Sponsor or the Non-Residential Unit Owner.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until such Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any 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.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be held by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* The Condominium Board shall promptly report to Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days or whenever requested in writing by a Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.5 of the By-Laws by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by such Unit Owner's Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against a Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or the By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the

Declaration or the By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or the By-Laws.

Section 8.7 *Notice to Permitted Mortgagees* .

(A) Whenever requested by a Permitted Mortgagee, the Condominium Board shall provide timely written notice to such Permitted Mortgagee of (i) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit, (ii) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium, and (iii) any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

(B) In no event, however, shall the Condominium Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-Laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

Section 8.8 *Mezzanine Financing* . The Mezzanine Lender shall, without requirement for any further notice of same to the Condominium Board, be considered to be a Permitted Mortgagee as to the Unsold Units, and as such, the Mezzanine Lender shall be entitled to receive all notices, and otherwise to be entitled to all rights, benefits and privileges of a Permitted Mortgagee as to the Unsold Units pursuant to Sections 8.3, 8.4 and 8.7 of the By-Laws and to receive from the Condominium Board a recognition agreement from time to time as provided in Section 2.4(A)(xxxiii) of the By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit or its appurtenant Residential Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, 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 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Residential Limited Common Elements, if any, 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 Condominium Board 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 Condominium Board 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 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) 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, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or the Non-Residential Unit Owner shall give to Sponsor or the Non-Residential Unit Owner 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 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor or the Non-Residential Unit Owner in this Article 9 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 Condominium Board or Sponsor or the Non-Residential Unit Owner, 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 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board 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 9.1 or paragraph (A) of Section 9.2 of the By-Laws or (ii) Sponsor or the Non-Residential Unit Owner 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 9.2 of the By-Laws, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor or the Non-Residential Unit Owner, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% 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 Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of this Section 10.2 with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Residential Common Expenses, to be borne by all Residential Unit Owners if such arbitration relates solely to the Residential Units or the Residential Common Elements or the Residential Limited Common Elements.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Residential Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 of the By-Laws, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) of this Section 12.1 and subject, further, to any provisions contained in the Declaration or the By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor, the Non-Residential Unit Owner, the Non-Residential Unit and/or any Permitted Mortgagee, any provision of the By-Laws affecting the (i) General Common Elements or all Units may be added to, amended, modified or deleted by the affirmative vote of at least 66 2/3% in number and Common Interest of all Unit Owners; and (ii) Residential Common Elements or all Residential Units may be added to, amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Residential Common Interest of all Residential Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 of the By-Laws. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Residential Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Residential Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 of the By-Laws, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Residential Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 12.1, but still subject to any provision contained in the Declaration or the By-Laws with respect to Special Amendments:

(i) the Common Interest and Residential Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 of the By-Laws; and

(ii) the terms of Section 5.7 of the By-Laws may not be amended, modified, added to, or deleted unless not less than 80% in number and aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of the By-Laws that, pursuant to the terms of the Declaration or the By-Laws, may be effected by Sponsor or the Non-Residential Unit Owner, without the consent of the Condominium Board or the Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or the Non-Residential Unit Owner, as the case may be, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or the Non-Residential Unit Owner certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or the Non-Residential Unit Owner pursuant to the terms of the Declaration and/or the By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or the By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) No amendment, modification, addition, or deletion of or to the By-Laws shall be effective in any respect against Sponsor or the Non-Residential Unit Owner, unless and until Sponsor or the Non-Residential Unit Owner shall consent to the same in writing.

(C) No amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) or paragraph (C) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 of the By-Laws shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto. In addition, no amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within 60 days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

(D) Amendments, modifications, additions or deletions of or to the Declaration, the By-Laws and the Residential Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of a Non-Residential Unit or the subdivision of or combination of, or altering of, or improvement to the Non-Residential Unit and it is contemplated that in connection therewith the Non-Residential Unit Owner will cause the Declaration, the By-Laws and the Residential Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Units and the Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not

materially and adversely affect the Residential Units or the Residential Unit Owners, the Non-Residential Unit Owner shall be the attorney-in-fact for the Residential Unit Owners (including Sponsor so long as Sponsor owns any Unsold Residential Units), coupled with an interest, for the purpose of approving, executing and recording any instrument effecting such amendment, modification, addition or deletion.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of the By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium Board, 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 the 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 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of the By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to the 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.

(B) If any Unit Owner, the Condominium Board or other Person that is subject to the terms of the By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to the By-Laws at the request of Sponsor or the Non-Residential Unit Owner, as the case may be, then Sponsor, or the Non-Residential Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in the By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, the By-Laws, the Residential Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours. Each Unit Owner shall be

permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in the By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of the By-Laws or of the Residential Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of the By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor. The rights and/or obligations of the Non-Residential Unit Owner shall inure to the benefit of, and shall be binding upon, any successor or assignee of the Non-Residential Unit Owner.

Section 14.6 *Gender.* A reference in the By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of the By-Laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board intends to act in a manner consistent with enabling the Condominium to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

Section 15.4 *Residential Use.* Substantially all of the Units are and will be used by individuals for residences.

ARTICLE 16

REPORT TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually a financial statement of the Condominium prepared by a public accountant, within approximately 120 days after the end of each fiscal year of the Condominium such Statement shall be certified while Sponsor is in control of the Condominium Board.

ARTICLE 17

OWNERSHIP OF A RESIDENTIAL UNIT OCCUPIED BY A NON-PURCHASING TENANT

If the Residential Unit Owner acquired the Residential Unit subject to the lease or tenancy of a Non-Purchasing Tenant, the following provisions shall apply:

Section 17.1 *Ownership Subject to Applicable Law and Regulation.* The rights of the Non-Purchasing Tenant and the obligations of the Residential Unit Owner are subject to the provisions of Section 352-eeee of the New York State General Business Law ("GBL") and any regulations promulgated thereunder so long as such Non-Purchasing Tenant's occupancy continues.

Section 17.2 *Obligations of Residential Unit Owner.* The Residential Unit Owner assumes all rights and obligations as landlord of the Non-Purchasing Tenant, including the right to collect rent (whether the same is greater or less than Common Charges attributable to the Residential Unit established by the Condominium Board from time to time) and the obligation to repair and maintain the Residential Unit (including its equipment and appliances) for the benefit of the Non-Purchasing Tenant.

Section 17.3 *Designation of Condominium Managing Agent.* The Residential Unit Owner irrevocably appoints the Condominium Managing Agent (which Condominium Managing Agent may be replaced from time to time by the Condominium Board) as the Residential Unit Owner's agent, coupled with an interest, to provide for the account and at the expense of the Residential Unit Owner, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant. The Residential Unit Owner shall deposit with the Condominium Managing Agent a sum of not less than an amount equal to 2 months' Common Charges to be used as working capital to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. The Residential Unit Owner shall upon written notice by the Condominium Managing Agent that such deposit has been diminished, replenish such fund within 30 days thereafter.

Section 17.4 *Notice of Resale.* At the closing of the acquisition of the Residential Unit occupied by a Non-Purchasing Tenant, the seller will be obligated to notify the Non-Purchasing Tenant in writing of the name and address of the Residential Unit Owner who acquired the Residential Unit. Upon a resale of the Residential Unit, the seller and each subsequent seller will be obligated to notify the Non-Purchasing Tenant in writing within 10 days following the resale of the name and address of the new Residential Unit Owner.

* * * * *

ADDENDUM TO THE AMENDED AND RESTATED BY-LAWS

RESIDENTIAL RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, 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 Residential Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building or the courtyard. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that care-givers in the employ of Residential Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Residential Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Residential Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, Terrace or placed upon the window sills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Residential Unit Owner shall permit anything to be done or kept in the Residential 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 Residential Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the Residential Unit any inflammable,

combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Residential Unit.

11. There shall be no barbecuing in the Residential Units, in their appurtenant Residential Limited Common Elements, if any, or in the Common Elements except on the Terraces appurtenant to Residential Unit 3C and the Penthouse Residential Unit.

12. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Residential Unit or its appurtenant Residential Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential 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 or its appurtenant Residential Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice of 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 Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency. The foregoing restrictions shall not apply to Sponsor with respect to any Unsold Residential Units owned by Sponsor.

13. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. The prohibition set forth in the preceding sentence shall not apply to a Residential Unit Owner who can establish that he or she was housing a Pet in the Unit Owner's Residential Unit prior to purchasing such Residential Unit ("Grandfathered Pet"). However, upon the removal or death of a Grandfathered Pet, a Residential Unit Owner shall be required to seek permission to house any replacement Pet. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Unit. In no event shall any pet be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. 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.

14. No group tour, open house or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule. The foregoing restrictions shall not apply to Sponsor with respect to Unsold Residential Units, Unsold Storage Lockers or the Non-Residential Unit.

15. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the total floor area of each room of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

16. No window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld, conditioned, or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

17. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be charged to and borne solely by the Residential Unit Owner. It is the responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) to make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) to otherwise ensure that all operable windows located in the Residential Unit comply with Law.

18. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Residential Limited Common Elements, if any, without the prior approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

19. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval. The foregoing restrictions shall not apply to Sponsor.

20. 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.

21. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Residential Unit.

22. Each Residential Unit Owner shall keep the Residential Unit and its appurtenant Residential Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

23. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

24. The Condominium Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the

Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to the Residential Unit at any time when an entry therein is necessary or permissible under these Residential Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board 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 Residential Unit Owner's property).

25. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the Residential Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

26. Residential Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful Terrace.

27. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

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

29. No Residential Unit Owner shall install any plantings on any Terrace or roof without the prior approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers 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 roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The placement of any items on the balconies shall be prohibited. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to the a Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

30. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Residential Unit in any way, without the prior approval of the Condominium Board.

31. No Residential Unit Owner may install or place speakers on a Terrace appurtenant to a Residential Unit.

32. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

33. When leaving the Residential Unit for extended periods of time, Residential Unit Owners and their respective Family Members, guests, domestic employees, agents, visitors, or licensees shall keep the Residential Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Residential Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Residential Unit Owner's or their respective Family Member, guests, domestic employees, agents, visitors or licensees failure to abide by the provisions of this paragraph shall be borne solely by the owner of such Residential Unit causing the damage.

34. Residential Unit Owners and their respective Family Members, guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as 101 West 78 Condominium ("Condominium") and by the street number 101 West 78th Street, New York, New York 10024 under Article 9-B of the Real Property Law of the State of New York, dated November 25, 2013 and recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on February 6, 2014, as CRFN 2014000048789 as same has been amended and restated ("Declaration"), or (b) in the By-Laws of 101 West 78 Condominium as same has been amended and restated ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 1150 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential 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, lease or license any Residential Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased;

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

(e) take all actions reasonably required by the Mortgage Lender and/or Mezzanine Lender, including, but not limited to, executing, acknowledging and delivering a recognition agreement.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned do(es) hereby also nominate, constitute and appoint 101 West 78th LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to:

(f) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interests of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Residential 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 Residential Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Floor Plans; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) 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 mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. 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 (i) Sponsor shall cease to own any Unit in the Condominium; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; an amendment to the Permanent Certificate of Occupancy has been issued; and

(g) to effectuate Sponsor's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

RESIDENTIAL UNIT OWNER'S SPECIMEN TITLE POLICY

Policy No.: CT15-00094-NY

OWNER'S POLICY OF TITLE INSURANCE

Issued by

CHICAGO TITLE INSURANCE COMPANY

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, CHICAGO TITLE INSURANCE COMPANY, A NEBRASKA CORPORATION (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

Policy No.: CT15-00094-NY

(c) the subdivision of land; or

(d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.

8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.

9. Title being vested other than as stated in Schedule A or being defective

   (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or

   (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records

      (i) to be timely, or

      (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.

10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

IN WITNESS WHEREOF, the Company has caused this Policy to be signed with the facsimile signatures of its President and Secretary and sealed as required by its By-Laws.

CHICAGO TITLE INSURANCE COMPANY

Issued by:
CHICAGO TITLE INSURANCE COMPANY
711 THIRD AVENUE
NEW YORK, NY 10017

CHICAGO TITLE INSURANCE COMPANY CORPORATE SEAL

By:

Raymond R. Quirk
President

By:

Michael L. Gravelle
Secretary

Countersigned::_____
Authorized Signature

NY-02100.430087-RAM-7230632-1- -CT15-00094-NY

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

CHICAGO TITLE INSURANCE COMPANY
AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6/17/06)
WITH NEW YORK COVERAGE ENDORSEMENT APPENDED (A.L.T.A.)

Policy No.:
PRO-FORMA
Title No.: CT15-00094-NY

Effective Date:

Amount of Insurance:
To Be Advised

SCHEDULE A

1. **Name of Insured:**

   FUTURE UNIT PURCHASER

2. **The estate or interest in the land which is covered by this Policy is:**

   Fee Simple

3. **Title to the estate or interest in the land is vested in the Insured by:**

   Deed made by 101 West 78th LLC -to- FUTURE UNIT PURCHASER, dated __/__/15, to be recorded in the Office of the City Register of the City of New York, New York County.

4. **The Land referred to in this policy is described as follows: - SEE ATTACHED DESCRIPTION-**

_____
Authorized Signatory

Note: This Pro-forma Policy: (i) is provided at the request of the proposed insured; and (ii) presumes satisfaction of all requirements pertinent to the transaction as set forth in the commitment and any revisions thereto. The terms of the title insurance commitment as revised control. This pro-forma merely provides a sample to the proposed insured as to what will appear within the policy if all requirements are met. This pro-forma is not an insurance policy.

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

CHICAGO TITLE INSURANCE COMPANY

PRO-FORMA
Title No.: CT15-00094-NY

SCHEDULE A DESCRIPTION

The Condominium Unit (hereinafter referred to as the "Unit") in the building (hereinafter referred to as the "Building") known as 101 West 78 Condominium and by the Street Number 101 West 78th Street, a/k/a 380 Columbus Avenue, County of New York, State of New York, said Unit being designated and described as _____ in a Declaration date 11/25/2013 made by 101 West 78th LLC, pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referrer to as the "Condominium Act") establishing a Plan for condominium ownership of the Building and the Land (hereinafter referred to as the "land") upon which the building is situated (which land is more particularly described below), which Declaration was recorded in the City Register's Office on 2/6/2014 as CRFN 2014000048789, as amended by Amended and Restated Declaration dated _____ recorded _____, 2015 in CRFN 2015000_____ (which Declaration and Amendments (if applicable) thereto are hereinafte collectively referred to as the "Declaration"). The Unit is also designated as Tax Lot ____ in Block 1150, of the County of New York on the Tax Map of the Real Property Assessment Department and on the Floor Plans of the Building, certified by H. Thomas O'Hara, Jr., H.T.O. Architect PLCC and filed with the Real Property Assessment Department on 2/6/2014 as Condominium Plan No. 2399 and also filed in the City Register's Office on 2/6/2014 as Map CRFN 2014000048790.

TOGETHER with an undivided ___% interest in the Common Elements (as such term in defined in the Declaration).

The land area on which the building containing the unit is erected is described as follows:

ALL that certain Lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of 78th Street with the westerly side of Columbus Avenue (formerly Ninth Avenue);

RUNNING THENCE northerly along the westerly side of Columbus Avenue, 102 feet 2 inches to the center line of the block between 78th and 79th Street:

THENCE westerly along said center line of the block and parallel with the northerly side of 78th Street, 100 feet;

THENCE southerly and parallel with the westerly side of Columbus Avenue, 102 feet 2 inches to the northerly side of 78th Street;

THENCE easterly along the said northerly side of 78th Street, 100 feet to the westerly side of Columbus Avenue at a point or place of BEGINNING.

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

CHICAGO TITLE INSURANCE COMPANY

PRO-FORMA
Title No.: CT15-00094-NY

SCHEDULE B
EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. Light and Air Easement Agreement, dated 9/1/1888, recorded 10/16/1888 in Liber 2164 Cp. 421.

2. Premises or part of premises have been designated as a landmark, Landmark Site or Historic District, by an instrument dated April 24, 1990 and recorded on May 29, 1990 in Reel 1696 Page 1872, and are subject to the restricted use as provided in Chapter 21 of the New York city Charter and Title 25, Chapter 3 of the New York City Charter and Title 25, Chapter 3 of the New York City Administrative Code.

3. Terms, provisions, covenants, restrictions, conditions and options contained in and rights and easements established by the Declaration of Condominium and By-Laws dated 11/25/2013, recorded 2/6/2014 in CRFN 2014000048789, as amended by Amended and Restated Declaration dated _____ recorded _____, 2015 in CRFN 2015000_____, but policy will insure against loss or damage occasioned by the premises not being a part of a condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.

4. Power of Attorney as set forth in the purchase agreement from the insured to the Members of the Board of Managers of the Condominium and their successors in office must be submitted for recording.

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

CHICAGO TITLE INSURANCE COMPANY

Policy No: PROFORMA
Title No: CT15-00094-NY

CHICAGO TITLE INSURANCE COMPANY

CONDOMINIUM ENDORSEMENT
-NEW YORK-

Attached to and made a part of Policy No. PROFORMA

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the State of New York.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.
3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are created by the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the Public record and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the policy and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

CHICAGO TITLE INSURANCE COMPANY

Dated: **PROFORMA**

By: Raymond R. Quirk
President

By: Michael L. Gravelle
Secretary

PROFORMA
Authorized Signatory

Note: This endorsement shall not be valid or binding until countersigned by an authorized signatory.

CHICAGO TITLE INSURANCE COMPANY

Policy No. PROFORMA
Title No. CT15-00094-NY

CHICAGO TITLE INSURANCE COMPANY

STANDARD NEW YORK ENDORSEMENT (OWNER'S POLICY)

Attached to and made a part of Policy No. **PROFORMA**

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown on Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

CHICAGO TITLE INSURANCE COMPANY

Dated: **PROFORMA**

By: Raymond R. Quirk
President

By: Michael L. Gravelle
Secretary

PROFORMA
Authorized Signatory

Note: This endorsement shall not be valid or binding until countersigned by an authorized signatory.

Policy No.: CT15-00094-NY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 11 and 12 of these Conditions.

(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.

(d) "Insured": The Insured named in Schedule A.

(i) the term "Insured" also includes

(A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;

(B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;

(C) successors to an Insured by its conversion to another kind of Entity;

(D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title

(1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) if the grantee wholly owns the named Insured,

(3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or

(4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

(ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.

(e) "Insured Claimant": An Insured claiming loss or damage.

(f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(j) "Title": The estate or interest described in Schedule A.

(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

Policy No.: CT15-00094-NY

CONDITIONS CONTINUED

Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) to Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) to Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

Policy No.: CT15-00094-NY

CONDITIONS CONTINUED

the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at:

Chicago Title Insurance Company
National Claims Administration
PO Box 45023
Jacksonville, Florida 32232-5023.

Copyright American Land Title Association. All rights reserved. The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

Form **W-8BEN**

(Rev. February 2014)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

▶ For use by individuals. Entities must use Form W-8BEN-E.
▶ Information about Form W-8BEN and its separate instructions is at *www.irs.gov/formw8ben.*
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• A person acting as an intermediary	W-8IMY

Part I Identification of Beneficial Owner (see instructions)

1 Name of individual who is the beneficial owner

2 Country of citizenship

3 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

4 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country

5 U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)

6 Foreign tax identifying number (see instructions)

7 Reference number(s) (see instructions)

8 Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 9 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 Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution,
- The person named on line 1 of this form is not a U.S. person,
- 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 applicable income tax treaty, or
  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ▶

Signature of beneficial owner (or individual authorized to sign for beneficial owner) — Date (MM-DD-YYYY)

Print name of signer — Capacity in which acting (if form is not signed by beneficial owner)

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. December 2014)
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.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

6 City, state, and ZIP code

7 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 generally 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 instructions for line 1 and 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. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here | **Signature of U.S. person ▶** | **Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

ESCROW AGREEMENT

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between 101 West 78th LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 101 West 78 Condominium and located at 101 West 78th Street, New York, New York 10024 ("Offering 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) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase 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 will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized

Signatories have an address of 220 East 42 Street, Suite 3302, New York, New York 10017, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein 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.

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

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind 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, New York, 10271 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the

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 the release of the Deposits of a defaulting Purchaser until after consummation of the Offering Plan (i.e., the Effective Date). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon 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 Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5.5. ESCROW AGENT may rely upon any 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.

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

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

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled 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 Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation. Such amendment shall disclose 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 in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR 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.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, 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 claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, 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, professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, 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:

STARR ASSOCIATES LLP

By: _____
Name: Allan Starr, Esq.
Title: Partner

SPONSOR:

101 WEST 78TH LLC

By: 101 W 78 MEZZ LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Vice President

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 23: CERTIFICATION OF SPONSOR AND PRINCIPALS

New York State Department of Law
Real Estate Finance Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
101 West 78 Condominium
101 West 78th Street
New York, New York 10024 ("Property")

Dear Sir/Madam:

We are Sponsor and the principals of sponsor of the condominium offering plan for the captioned Property ("Offering Plan").

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 Department of Law in Part 23 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

101 WEST 78th LLC

By: 101 W 78 Mezz LLC,
a Delaware limited liability company
its sole member

By: 101 W 78 Holding LLC,
a Delaware limited liability company
its sole member

By: 101 West 78 GP LLC,
a Delaware limited liability company
its manager

By: _____
Name: Robert Vahradian
Title: Executive Vice President

PRINCIPALS OF SPONSOR:

_____
Tom Shapiro

_____
Robert Vahradian

Severally sworn to before me this
1 day of February, 2016

_____
Notary Public

MARIA SZABO
Notary Public, State of New York
No. 01SZ6309901
Qualified in New York County
Commission Expires August 18, 2018

00036932.DOCX

CERTIFICATION OF ARCHITECT

PART 23: CERTIFICATION OF ARCHITECT

New York State Department of Law
Real Estate Finance Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
101 West 78 Condominium
101 West 78th Street
New York, New York 10024 ("Property")

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned Property to condominium ownership ("Offering Plan") retained our firm to prepare a report disclosing the condition of the Property ("Report"). We visually inspected the Property on November 20, 2015 and prepared the Report dated December 22, 2015, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the Report.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 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 and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts (relevant to the topics of the Addendum) which were then discernable from a visual inspection of the Property. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report based on our visual inspection:

(i) sets forth in narrative form the physical condition of the entire property (the aspects of the property discussed in the Addendum) and is current and accurate as of the date of inspection;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the Property;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

(vii) It is to be understood that all aspects of the physical condition of the Property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

We further certify that we are not owned or controlled by and have no beneficial interest in Sponsor and that our compensation for preparing this Report is not contingent on the success of the Offering Plan 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.

H.T.O. Architect, P.L.C.

By: _____
Name: H. Thomas O'Hara, Jr.
Title: Managing Member

Sworn to before me this
1st day of February, 2016

_____
Notary Public

[SEAL]

REGISTERED ARCHITECT
HENRY THOMAS O'HARA, JR.
025215
STATE OF NEW YORK

LAUREN M. SMITH
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SM6302345
Qualified in Rockland County
My Commission Expires May 05, 2018

CERTIFICATION OF BUDGET EXPERT

FirstService
RESIDENTIAL

CERTIFICATION OF SPONSOR'S EXPERT
ON ADEQUACY OF CONDOMINIUM BUDGET PURSUANT TO
SECTION 23.4(d) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

February 2, 2016

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 101 West 78 Condominium
101 West 78th Street, New York, New York 10024

The undersigned, FirstService Residential New York, Inc., is a licensed real estate brokerage/management firm in the State of New York. FirstService Residential New York, Inc. has been engaged in the management of over 250 condominium, cooperative and residential rental properties over the course of 25 years.

The sponsor of the condominium offering plan for the above captioned property retained us to prepare Schedule B to the offering plan containing projections of income and expenses for the projected first year condominium operation, respectively ("First Year of Operation").

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to the Schedule B.

We have reviewed the Schedule B and investigated the facts set forth in the Schedule B and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing mixed use and residential buildings in Manhattan.

We certify that the projections in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the projected First Year of Operation.

622 Third Avenue | New York, NY 10017
Tel 212.634.8900 | Fax 212.634.3946
www.fsresidential.com

We certify that the Schedule:

(i) set forth in detail the projection of income and expenses for the projected First Year of Operation;

(ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the projected First Year of Operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the projected First Year of Operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

By: _____
Name: Marc Kotler
Title: Senior Vice President
New Development Group

Sworn to before me this
2nd day of February 2016

_____
Notary Public

Brooke Rosenthal
Notary Public - State of New York
NO. 01RO6072178
Qualified in Nassau County
Commission Expires April 1, 2017

FirstService
RESIDENTIAL

CERTIFICATION OF BUDGET EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY THE NON-RESIDENTIAL UNIT OWNER

FirstService
RESIDENTIAL

CERTIFICATION OF SPONSOR'S EXPERT
ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS
PURSUANT TO SECTION 23.4(e) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

February 2, 2016

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Real Estate Finance Bureau

Re: 101 West 78 Condominium
101 West 78th Street, New York, New York 10024

The undersigned, FirstService Residential New York, Inc., is a licensed real estate brokerage/management firm in the State of New York. FirstService Residential New York, Inc. has been engaged in the management of over 250 condominium, cooperative and residential rental properties for a period in excess of 25 years, many of which contain commercial property.

The sponsor of the condominium offering plan for the above captioned property retained us to prepare / review Schedule B which includes projections of the common charges payable by owners of the commercial unit(s) of the Condominium for the projected first year of operation.

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to the commercial unit(s) listed in Schedule B.

We have reviewed the Schedule B as it impacts upon the commercial unit(s) and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential and commercial buildings.

We certify that the projections in Schedule B for common charges payable by the owners of commercial unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit(s) also reflects the special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in the Schedule B for the common charges payable by the owners of the commercial unit(s):

622 Third Avenue | New York, NY 10017
Tel 212.634.8900 | Fax 212.634.3946
www.fsresidential.com

(i) set forth in detail the projected common charges for the commercial unit(s) for the projected first year of condominium operation;

(ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial unit(s);

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the projected first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

By: _____
Name: Marc Kotler
Title: Senior Vice President
New Development Group

Sworn to before me this
2nd day of February 2016

_____
Notary Public

Brooke Rosenthal
Notary Public - State of New York
NO. 01RO6072178
Qualified in Nassau County
Commission Expires April 1, 2017

FirstService
RESIDENTIAL

GENERAL BUSINESS LAW SECTION 352-eeee

§352-eeee. Conversions to cooperative or condominium ownership in the city of New York.

1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan." Every offering statement or prospectus submitted to the Department of Law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan." A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building a group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the Attorney General accepting the Plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan." A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disable persons) shall have executed and delivered written agreements to purchase under the Plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the Plan." A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant." A person who has not purchased under the Plan and who is a tenant entitled to possession at the time the Plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the Plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens." Non-purchasing tenants who are sixty-two years of age or older on the date the Attorney General has accepted the Plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the Plan for filing, on forms promulgated by the Attorney General spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the Plan for the filing, on forms promulgated by the Attorney General and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons." Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques and which are expected to be permanent and which prevent the tenant

from engaging in any substantial gainful employment on the date the Attorney General has accepted the Plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the Attorney General has accepted the Plan for filing, on forms promulgated by the Attorney General and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the Plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the Plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The Attorney General shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The Plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the Attorney General stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the Attorney General for at least twelve months after such abandonment.

(b) The Plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The Plan provides, if it is a non-eviction plan, as follows:

(i) The Plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the Attorney General accepting the Plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy: provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Plan has been accepted for filing by the Attorney General shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments

during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The Plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the Plan to purchasers under the Plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the issuance of the letter from the Attorney General stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the Plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the Plan, (1) file with the Attorney General a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the Plan.

(d) The Plan provides, if it is an eviction plan, as follows:

(i) The Plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the Plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the Plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use of occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the Plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the Attorney General within thirty days of the receipt of the election forms for a determination by the Attorney General of such person's eligibility. The Attorney General shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the Attorney General shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the Attorney General becomes final.

(vii) After the issuance of the letter from the Attorney General stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the Plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the Plan, (1) file with the Attorney General a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the Attorney General who have executed and delivered written agreements to purchase under the Plan as of the date of such statement, and (2) before noon on the day such statement if filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the Plan.

(viii) If the Plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the Plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the Plan.

(ix) The tenants in occupancy on the date the Attorney General accepts the Plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the Plan is accepted for filing by the Attorney General, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contact of sale together with a copy of said executed contract to said tenant.

(e) The Attorney General finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the Department of Law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the Department of Law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the

normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the Department of Law.

(f) The Attorney General finds that, following the submission of the offering statement or prospectus to the Department of Law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the Department of Law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (viii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the Department of Law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the Plan to the Department of Law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the Plan is first submitted to the Department of Law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by Law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by Law on a non-discriminatory basis.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the Plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The provisions of this section shall only be applicable in the city of New York.

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 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 have 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.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 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.

LOCAL LAW 70 – RESERVE FUND LAW

LOCAL LAW 70 – RESERVE FUND LAW

§§ 26-701 – 26-708

§ *26-701* Application.

The provisions of this chapter shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state Department of Law pursuant to section three hundred fifty-two-eeee of the General Business Law.

§ *26-702* Definitions.

As used in this chapter the following words shall mean:

a. "Building" any building, group of buildings or development.

b. "Total price" (1) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the Plan regardless of number of sales made; (2) with respect to condominium conversions, the sum of the cost of all units in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the Plan regardless of number of sales made.

c. "Capital replacement" a building-wide replacement of a major component of any of the following systems:

(1) elevator;

(2) heating, ventilation and air conditioning;

(3) plumbing;

(4) wiring;

(5) window; or, a major structural replacement to the building; provided, however, that replacements made to cure code violations of record shall not be included.

d. "Offeror" the offeror, his or her nominees, assignees and successors in interest.

§ *26-703* Establishment of reserve fund.

a. Within thirty days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or condominium board of managers, a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve fund shall be exclusive of any other funds required to be reserved under the Plan or applicable law or regulation of the state Attorney General, except a fund for capital repairs, replacements and improvements substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such fund shall be established in an amount equal to either:

(i) three percent of the total price or, (ii) (A) three percent of the actual sales price of all cooperative shares or condominium units sold by the offeror at the time the Plan is declared effective,

provided, however, that if such amount is less than one percent of the total price, then the fund shall be established as a minimum of one percent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three percent of the actual sales price of cooperative shares or condominium units for each unit or its allocable shares held by the offeror and sold to bona fide purchasers subsequent to the effective date of the Plan and within five years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three percent of the total price; and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three percent of the total price the offeror shall pay the difference between the amount contributed and three percent of the total price. Supplemental contributions shall be made within thirty days of each sale.

c. The contributions required pursuant to this section may be made earlier or in an amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he or she has begun after the Plan is submitted for filing to the state Department of Law and before the Plan is declared effective; provided, however, that any such replacements must be set forth in the Plan together with their actual or estimated costs and further provided, that such credit shall not exceed the lesser of the actual cost of the capital replacements or one percent of the total price.

d. Any building, construction of which was completed within three years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

§ *26-704* Report on status of reserve fund.

The cooperative corporation or condominium board of managers shall report to shareholders and unit owners on a semi-annual basis with respect to all deposits into and withdrawals from the reserve fund mandated by section 26-703 of this chapter.

§ *26-705* Posting of violations.

The offeror, not later than the thirtieth day following the acceptance of a plan for filing by the state Department of Law pursuant to section three hundred fifty-two-eeee of the General Business Law and until the closing of the conversion pursuant to such plan, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the Plan, a listing of all violations of record against such buildings as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations shall be posted within forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants.

§ *26-706* Report on condition of premises.

Where, pursuant to law or regulation of the state Attorney General, an offeror is required to file a report with the state Department of Law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood, a copy of such report shall be submitted simultaneously to the commissioner of buildings.

§ *26-707* No Waiver of rights.

Any provision purporting to waive the provisions of this chapter in any contract to purchase or agreement between an offeror and the cooperative corporation or the condominium board of managers pursuant to a conversion plan shall be void as against public policy.

§ *26-708* Criminal and civil penalties; enforcement.

a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates or assists in the violation of any section of this chapter shall be subject to a civil penalty of one hundred dollars per day per unit for each day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per unit.

b. Any person who knowingly violates or assists in the violation of section 26-703 of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section 26-703 of this chapter which was not so reserved. Any person who violates or assist in the violation of section 26-703 of this chapter shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section 26-703 of this chapter is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section 26-703 of this chapter.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this chapter may be brought in the name of the city, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this chapter, mandating compliance with the provisions of this chapter or for such other relief as may be appropriate. In any such action or proceeding the city may apply to any court of competent jurisdiction or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this chapter, mandating compliance with the provisions of this chapter, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized forthwith to make any or all of the orders above specified, as may be required in such application, with or without notice, and to make such other or further orders or directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium units.

e. The Department of Housing Preservation and Development is empowered to enforce the provisions of this chapter.

PROTECTING YOUR FAMILY FROM LEAD IN YOUR HOME

Protect Your Family From Lead In Your Home

EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:

LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.

SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.

RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

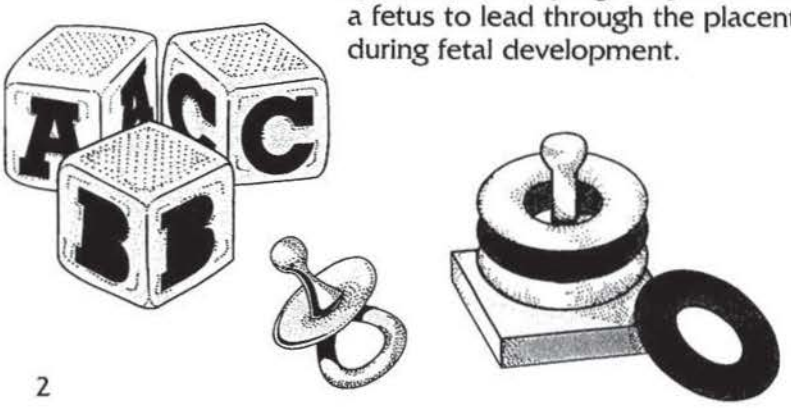
- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

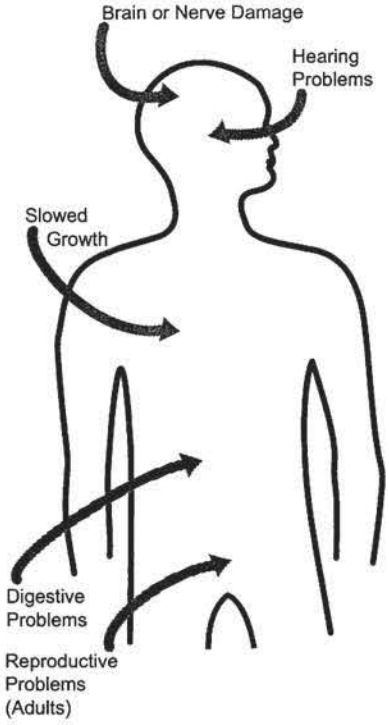
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.

Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:

- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly**. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.

- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas**.
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.

In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

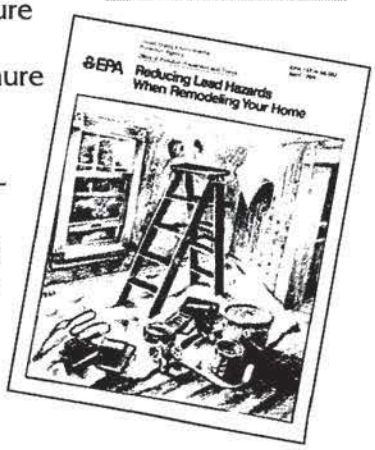
Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):

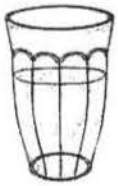
- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.



Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.

- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

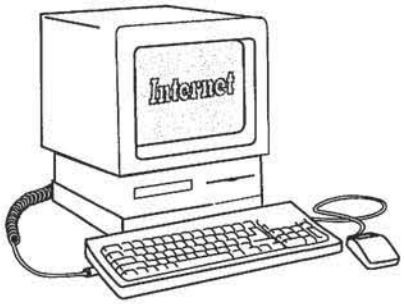
The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline



To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
June 2003

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.

TENANT PROTECTION PLAN

DEPT OF BLDGS 121235341 Job Number

ES000281337 Scan Code

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE

EMERGENCY NUMBERS
FOR ALL ACCIDENT AND FIRE EMERGENCIES

DOT (MANHATTAN): (212)442-7926

BEST SQUAD: (212)669-7043

ACCIDENT NOTIFICATION NUMBER: (212)566-3199

AMBULANCE: 911

LOCAL HOSPITAL: ST. LUKE'S-ROOSEVELT HOSP. CTR.
1000 TENTH AVENUE
NEW YORK, NY 10019

FIRE DEPARTMENT: LADDER 25
207 WEST 77TH STREET
NEW YORK, NY 10024

LOCAL POLICE: 20TH PRECINCT
120 WEST 82 STREET
NEW YORK, NY 10024
(212) 580-6411

INFORMATION TO SUBMIT WHEN REPORTING AN EMERGENCY: NATURE OF EMERGENCY, SITE LOCATION, NAME OF PERSON CALLING, NAME OF PERSON(S) INJURED AND/OR APPARENT DAMAGE.

DRAWING INDEX

TPP-001.00	COVER SHEET
TPP-002.00	GENERAL INFORMATION AND NOTES SHEET
TPP-003.00	CELLAR PLAN
TPP-004.00	FIRST FLOOR PLAN
TPP-005.00	SECOND FLOOR PLAN
TPP-006.00	THIRD FLOOR PLAN
TPP-007.00	FOURTH FLOOR PLAN
TPP-008.00	FIFTH FLOOR PLAN
TPP-009.00	SIXTH FLOOR PLAN
TPP-010.00	SEVENTH FLOOR PLAN
TPP-011.00	8TH FLOOR PLAN
TPP-012.00	TENANT PROTECTION NOTES

NOTE:

Construction documents for alterations of buildings in which any dwelling unit will be occupied during construction shall include a tenant protection plan. Such plan shall contain a statement that the building contains dwelling units that will be occupied during construction and shall indicate in sufficient detail the specific units that are or may be occupied during construction, the means and methods to be employed to safeguard the safety and health of the occupants, including, where applicable, details such as temporary fire-rated assemblies, opening protectives, or dust containment procedures. The elements of the tenant protection plan may vary depending on the nature and scope of the work but at a minimum shall make detailed and specific provisions for:

1. Egress. At all times in the course of construction provision shall be made for adequate egress as required by this code and the tenant protection plan shall identify the egress that will be provided. Required egress shall not be obstructed at any time except where approved by the commissioner.
2. Fire safety. All necessary laws and controls, including those with respect to occupied dwellings, as well as additional safety measures necessitated by the construction shall be strictly observed.
3. Health requirements. Specification of methods to be used for control of dust, disposal of construction debris, pest control and maintenance of sanitary facilities, and limitation of noise to acceptable levels shall be included.

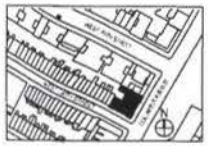
3.1. There shall be included a statement of compliance with applicable provisions of law relating to lead and asbestos.

4. Compliance with housing standards. The requirements of the New York city housing maintenance code, and, where applicable, the New York state multiple dwelling law shall be strictly observed.
5. Structural safety. No structural work shall be done that may endanger the occupants.
6. Noise restrictions. Where hours of the day or the days of the week in which construction work may be undertaken are limited pursuant to the New York city noise control code, such limitations shall be stated.

Owner:
Newcastle Realty Services, LLC

Structural Engineer:
Ahmad Ardebili
Severud Associates
Consulting Engineers, P.C.

MEP Engineer:
Jane A. Carlesimo, P.E.
Edwards & Zork, P.C.



project
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

7/7/2015

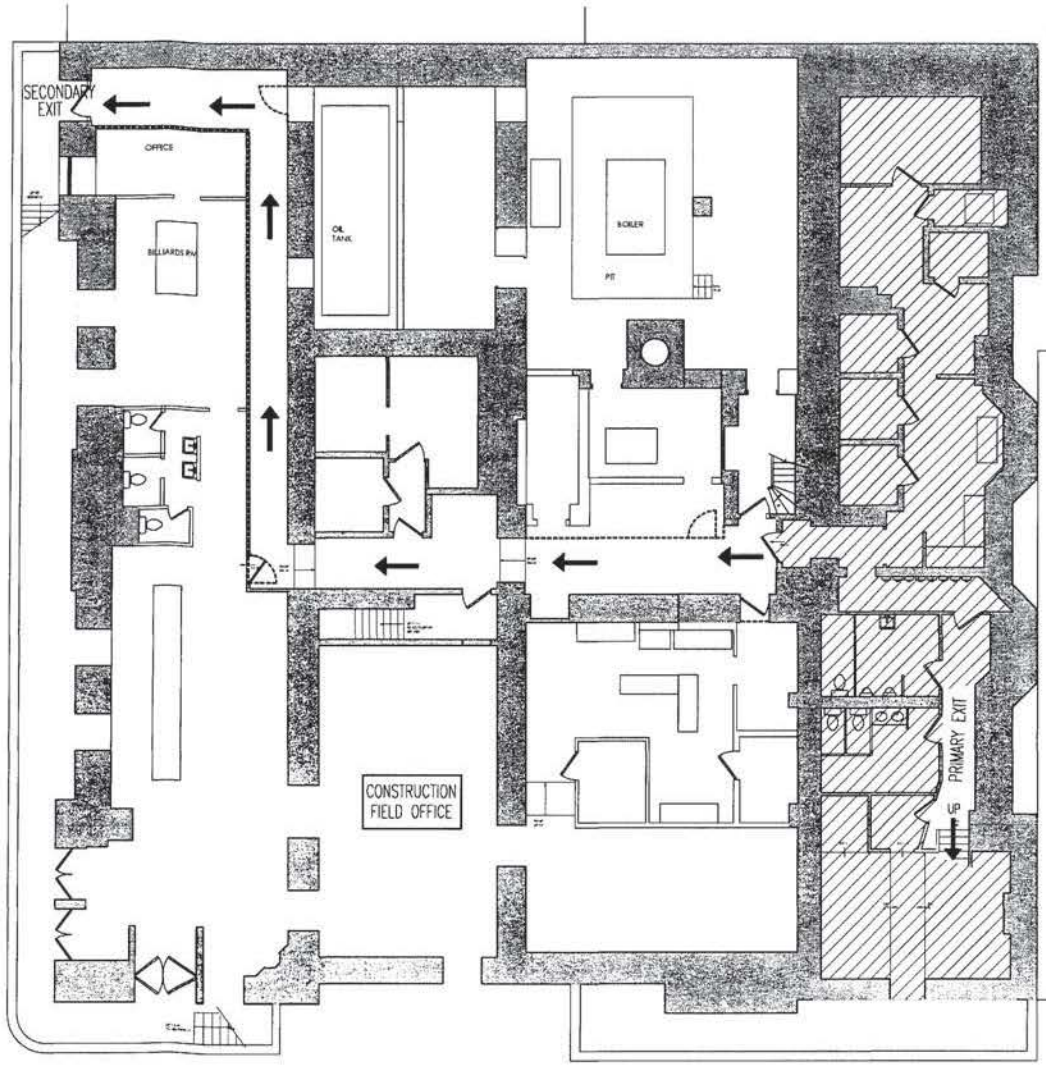
GENERAL INFORMATION AND NOTES SHEET

TPP-002.00

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.

DEPT OF BLDGS 121235341 Job Number

ES214845391 Scan Code



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

Margaretha Bard, RA
APPROVED
NYC Development Hub

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL WITH 1-1/2 HR RATED DOOR

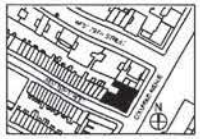
HTO
ARCHITECT

Owner:
Newcastle Realty Services, LLC

Structural Engineer:
Ahmad Ardebili
Severud Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Carlesimo, P.E.
Edwards & Zuck, P.C.

THESE DRAWINGS ARE BASED ON FIELD SURVEYS AND DRAWINGS FURNISHED TO THE ARCHITECT BY OTHERS. THE ACCURACY OF SUCH SURVEYS AND DRAWINGS HAS NOT BEEN INDEPENDENTLY VERIFIED. THEY MAY BE SIGNIFICANT DISCREPANCIES BETWEEN THE DIMENSIONS REFLECTED ON THE CONTRACT DOCUMENTS AND THE EXISTING CONDITIONS AT THE PROJECT. ACCORDINGLY, IT IS IMPERATIVE THAT THE CONTRACTOR DETERMINE, INVESTIGATE AND VERIFY ALL FIELD MEASUREMENTS, DIMENSIONS AND SITE CONDITIONS FOR PERFORMANCE OF THE WORK AND CHECK AND COORDINATE SUCH INFORMATION WITH THE CONTRACT DOCUMENTS.



project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

revisions:

issued:

CELLAR FLOOR

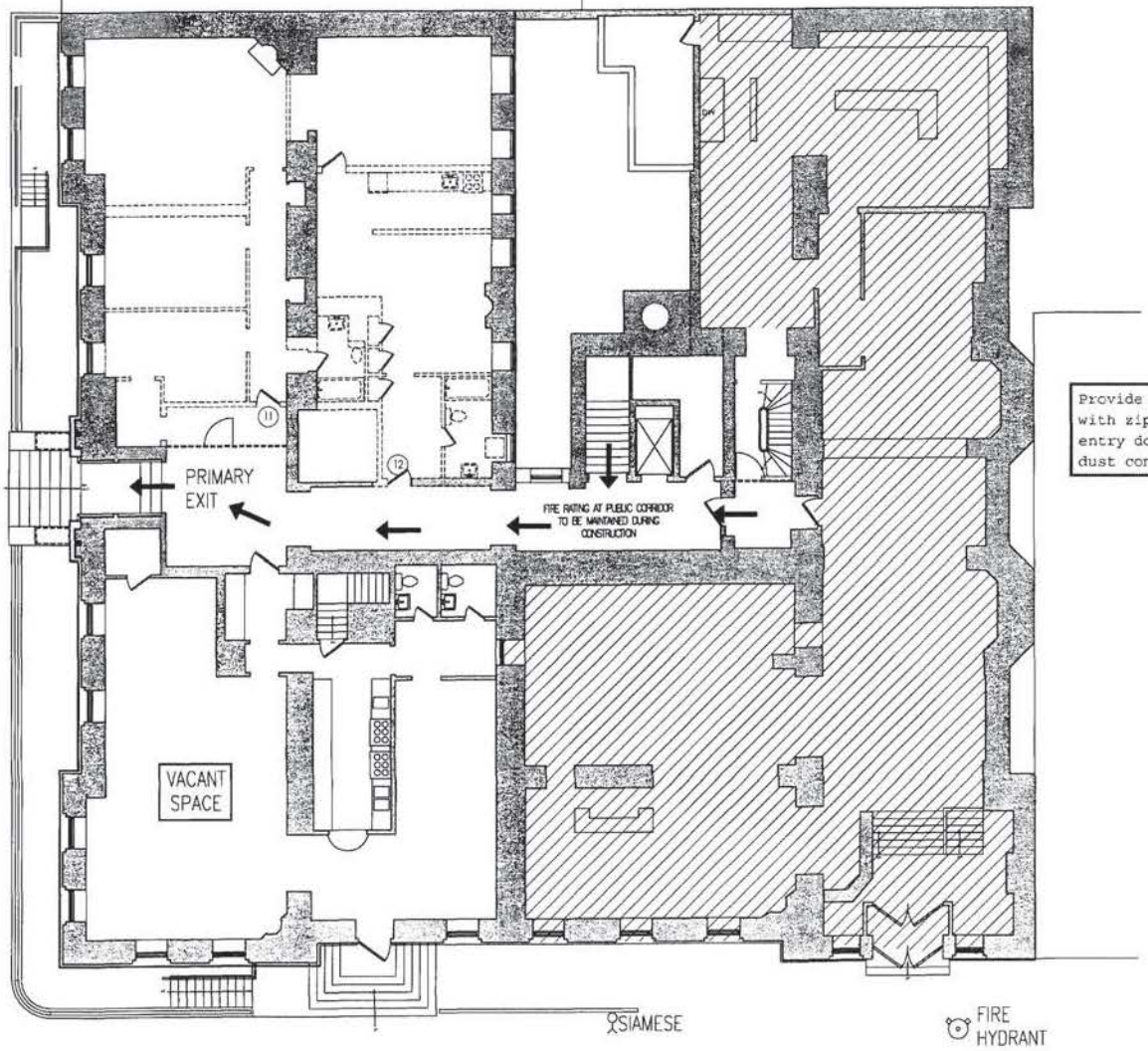
REGISTERED ARCHITECT
STATE OF NEW YORK

DATE 10/18/13
DRAWN BY TSDR
CHECKED BY MBR
APPROVED BY HTO
SCALE 3/16" = 1'-0"
DRAWING No. TPP-003.00

These drawing are an instrument of service and are the property of the architect. Infringement will be prosecuted.

DEPT OF BLDGS 121235341 Job Number

ES904988397 Scan Code



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL WITH 2 HR RATED DOOR

HTO

Owner:
Newcastle Realty Services, LLC

Structural Engineer:
Ahmad Anderbih
Severud Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Carlesimo, P.E.
Edwards & Zuck, P.C.

project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

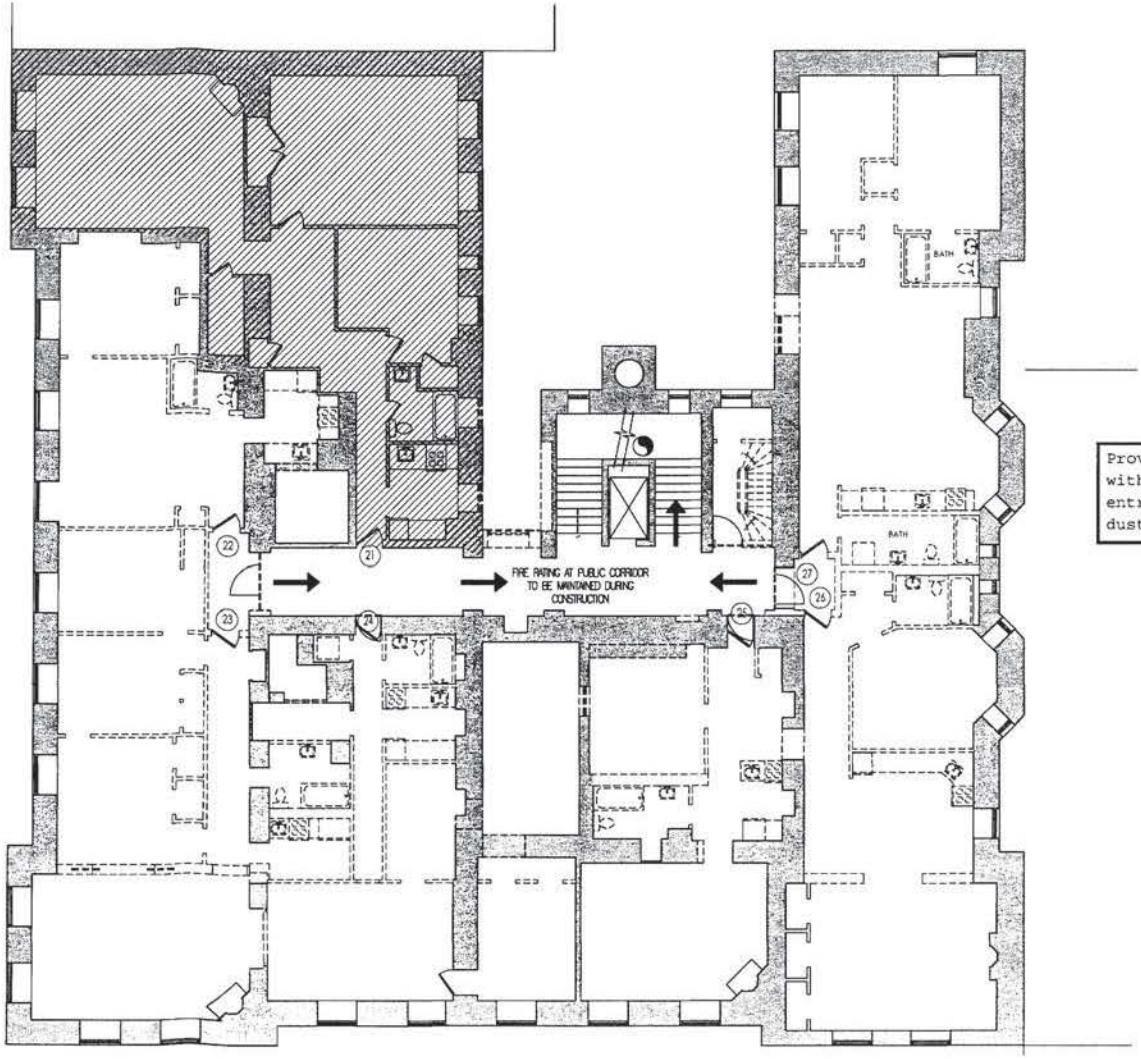
1ST FLOOR PLAN

TPP-004.00

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.

DEPT OF BLDGS 121235341 Job Number

ES470944725 Scan Code



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

Margaretta Sorg, RLA
APPROVED
NYC Development Hub

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL, WITH 2 HR RATED DOOR

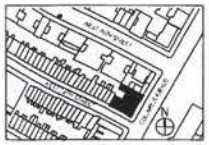
H1O ARCHITECTS

Owner:
Newcastle Realty Services, LLC

Structural Engineers:
Ahmad Ardebili
Severud Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Carleumo, P.E.
Edwards & Zuck, P.C.

THESE DRAWINGS ARE BASED ON FIELD SURVEYS AND DRAWINGS FURNISHED TO THE ARCHITECT BY OTHERS. THE ACCURACY OF SUCH SURVEYS AND DRAWINGS HAS NOT BEEN INDEPENDENTLY VERIFIED. THERE MAY BE SIGNIFICANT DISCREPANCIES BETWEEN THE DIMENSIONS REFLECTED ON THE CONTRACT DOCUMENTS AND THE EXISTING CONDITIONS AT THE PROJECT. ACCORDINGLY, IT IS IMPERATIVE THAT THE CONTRACTOR DETERMINE, ENCOUNTER AND VERIFY ALL FIELD MEASUREMENTS, DIMENSIONS AND SITE CONDITIONS FOR PERFORMANCE OF THE WORK AND CHECK AND COORDINATE SUCH INFORMATION WITH THE CONTRACT DOCUMENTS.



project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

Reviewed:

Issued:

7/7/2015

2ND FLOOR PLAN

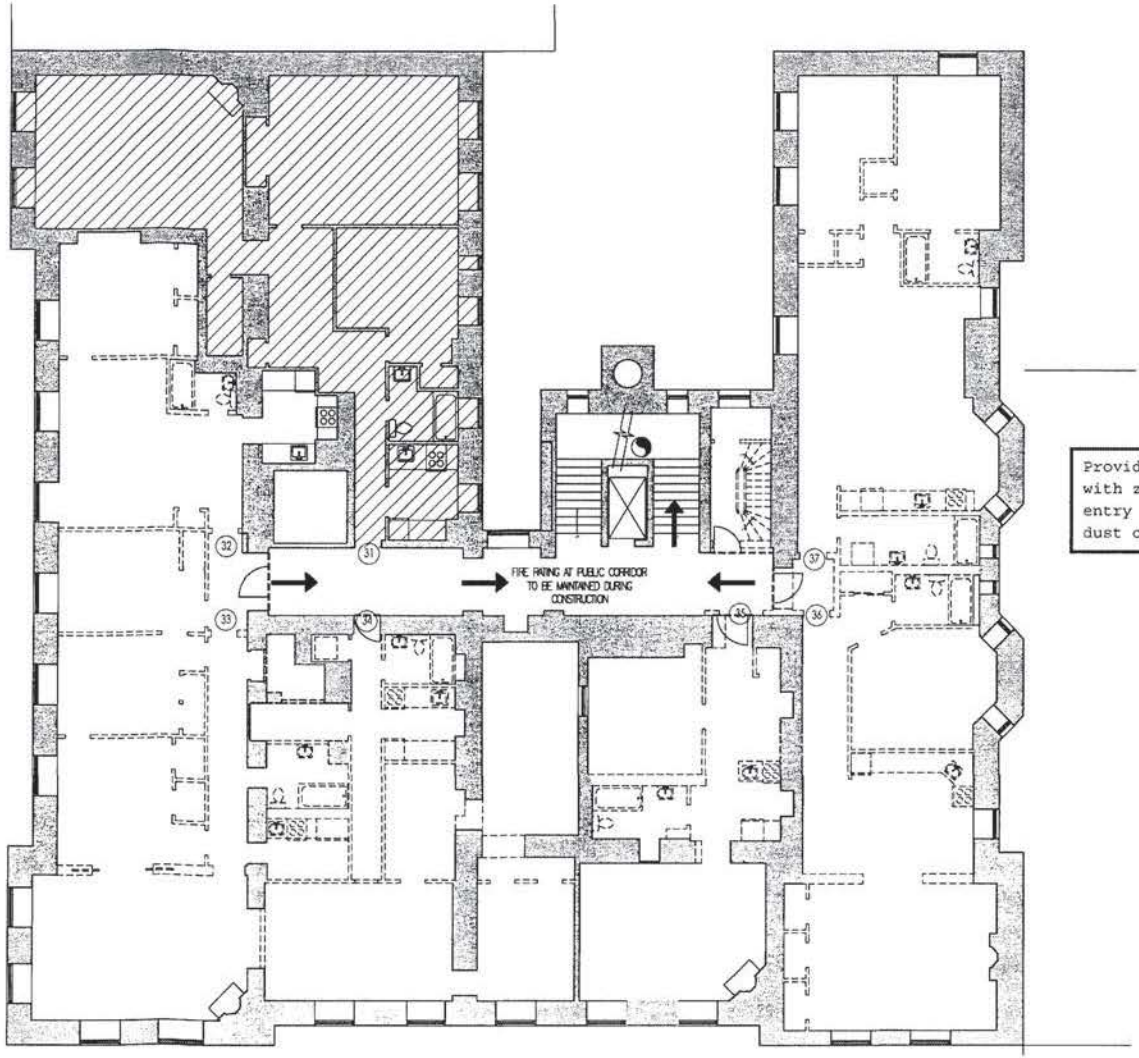
MICHAEL J. HOUSTEAD ARCHITECT
STATE OF NEW YORK

TPP-005.00

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.

DEPT OF BLDGS 121235341 Job Number

ES710612777 Scan Code



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

Marguerite Bell, RA
APPROVED
NYC Development Hub

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL WITH 2 HR RATED DOOR

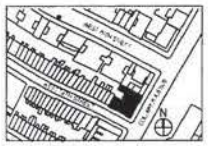
H I O

Owner:
Newcastle Realty Services, LLC

Structural Engineer:
Ahmad Ardebili
Severud Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Carlesimo, P.E.
Edwards & Zuck, P.C.

THESE DRAWINGS ARE BASED ON FIELD SURVEYS AND DRAWINGS FURNISHED TO THE ARCHITECT BY OWNER. THE ACCURACY OF SUCH SURVEYS AND DRAWINGS HAS NOT BEEN INDEPENDENTLY VERIFIED. THERE MAY BE SIGNIFICANT DISCREPANCIES BETWEEN THE DIMENSIONS REFLECTED ON THE CONTRACT DOCUMENTS AND THE EXISTING CONDITIONS AT THE PROJECT. ACCORDINGLY, IT IS IMPERATIVE THAT THE CONTRACTOR OBTAIN, INVESTIGATE AND VERIFY ALL FIELD MEASUREMENTS, DIMENSIONS AND SITE CONDITIONS FOR PERFORMANCE OF THE WORK AND CHECK AND COORDINATE SUCH INFORMATION WITH THE CONTRACT DOCUMENTS.



project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

revisions:

issued:
7/7/2015

3RD FLOOR PLAN

REGISTERED ARCHITECT
STATE OF NEW YORK

DATE	10-9-15
DRAWN BY	KSH
CHECKED BY	DEG
SCALE	1/8"=1'-0"

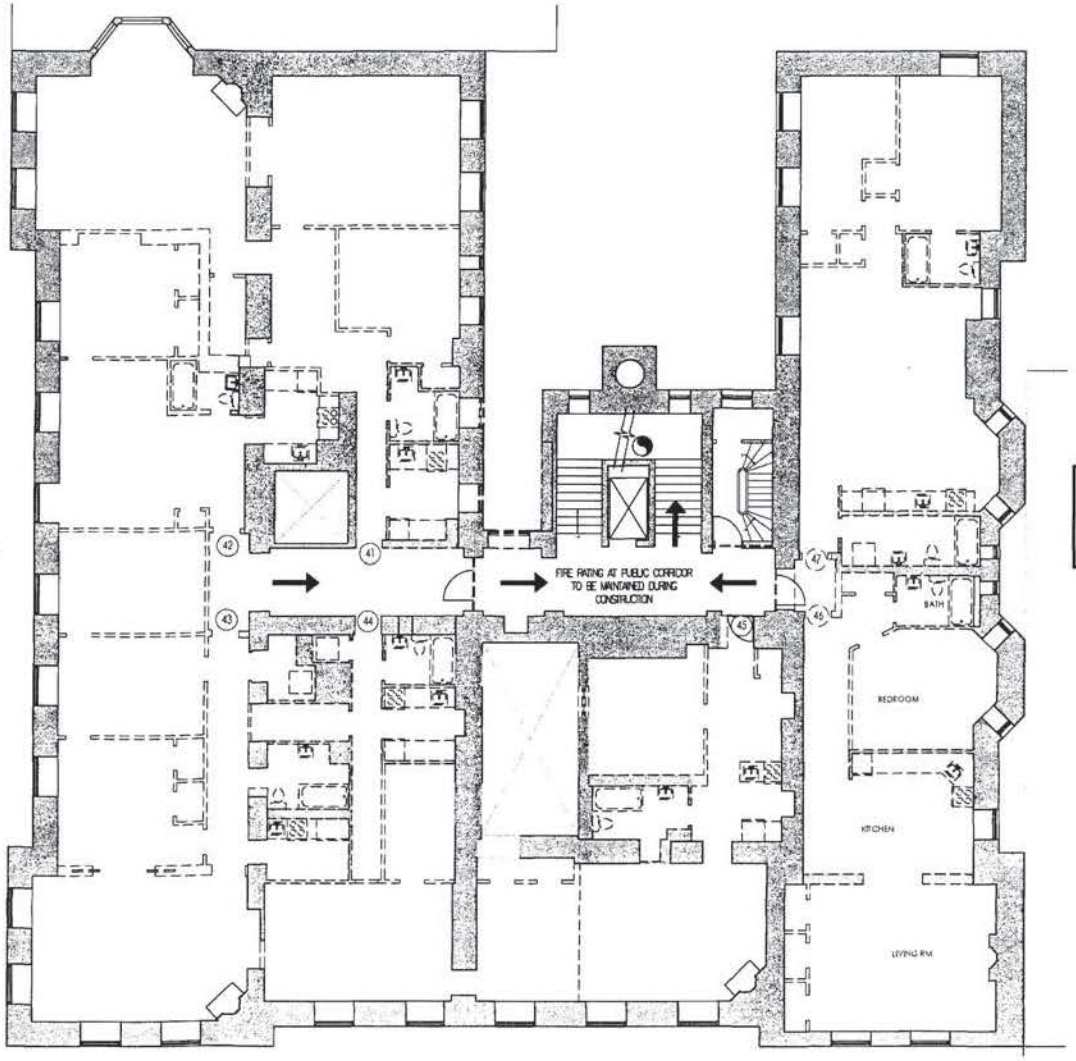
TPP-006.00

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.

DEPT OF BLDGS 121235341 Job Number

ES684251980 Scan Code

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL, WITH 2 HR RATED DOOR

Marguerite Sarff, RA
APPROVED
Under Delegation of Authority
NYC Development Hub

HIO ARCHITECT

Owner:
Newcastle Realty Services, LLC

Structural Engineers:
Ahmad Ardebili
Severud Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Carlesimo, P.E.
Edwards & Zuck, P.C.

THESE DRAWINGS ARE BASED ON FIELD SURVEYS AND DRAWINGS FURNISHED TO THE ARCHITECT BY OTHERS. THE ACCURACY OF SUCH SURVEYS AND DRAWINGS HAS NOT BEEN INDEPENDENTLY VERIFIED. THERE MAY BE SIGNIFICANT DISCREPANCIES BETWEEN THE DIMENSIONS REFLECTED ON THE CONTRACT DOCUMENTS AND THE EXISTING CONDITIONS AT THE PROJECT. ACCORDINGLY, IT IS IMPERATIVE THAT THE CONTRACTOR DETERMINE, INVESTIGATE AND VERIFY ALL FIELD MEASUREMENTS, DIMENSIONS AND SITE CONDITIONS FOR PERFORMANCE OF THE WORK AND CHECK AND COORDINATE SUCH INFORMATION WITH THE CONTRACT DOCUMENTS.

project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

7/7/2015

4TH FLOOR PLAN

TPP-007.00

DEPT OF BLDGS 121235341 Job Number

ES004495594 Scan Code

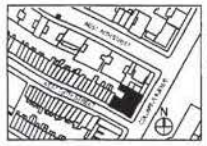
H I O

Owner:
Newcastle Realty Services, LLC

Structural Engineers:
Ahmad Ardebili
Severalt Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Carlessimo, P.E.
Edwards & Zuck, P.C.

THESE DRAWINGS ARE BASED ON FIELD SURVEYS AND DRAWINGS FURNISHED TO THE ARCHITECT BY OTHERS. THE ACCURACY OF SUCH SURVEYS AND DRAWINGS HAS NOT BEEN INDEPENDENTLY VERIFIED. THERE MAY BE SIGNIFICANT DISCREPANCIES BETWEEN THE DIMENSIONS REFLECTED ON THE CONTRACT DOCUMENTS AND THE EXISTING CONDITIONS AT THE PROJECT. ACCORDINGLY, IT IS IMPERATIVE THAT THE CONTRACTOR DETERMINE, INVESTIGATE AND VERIFY ALL FIELD MEASUREMENTS, DIMENSIONS AND SITE CONDITIONS FOR PERFORMANCE OF THE WORK AND CHECK AND COORDINATE SUCH INFORMATION WITH THE CONTRACT DOCUMENTS.

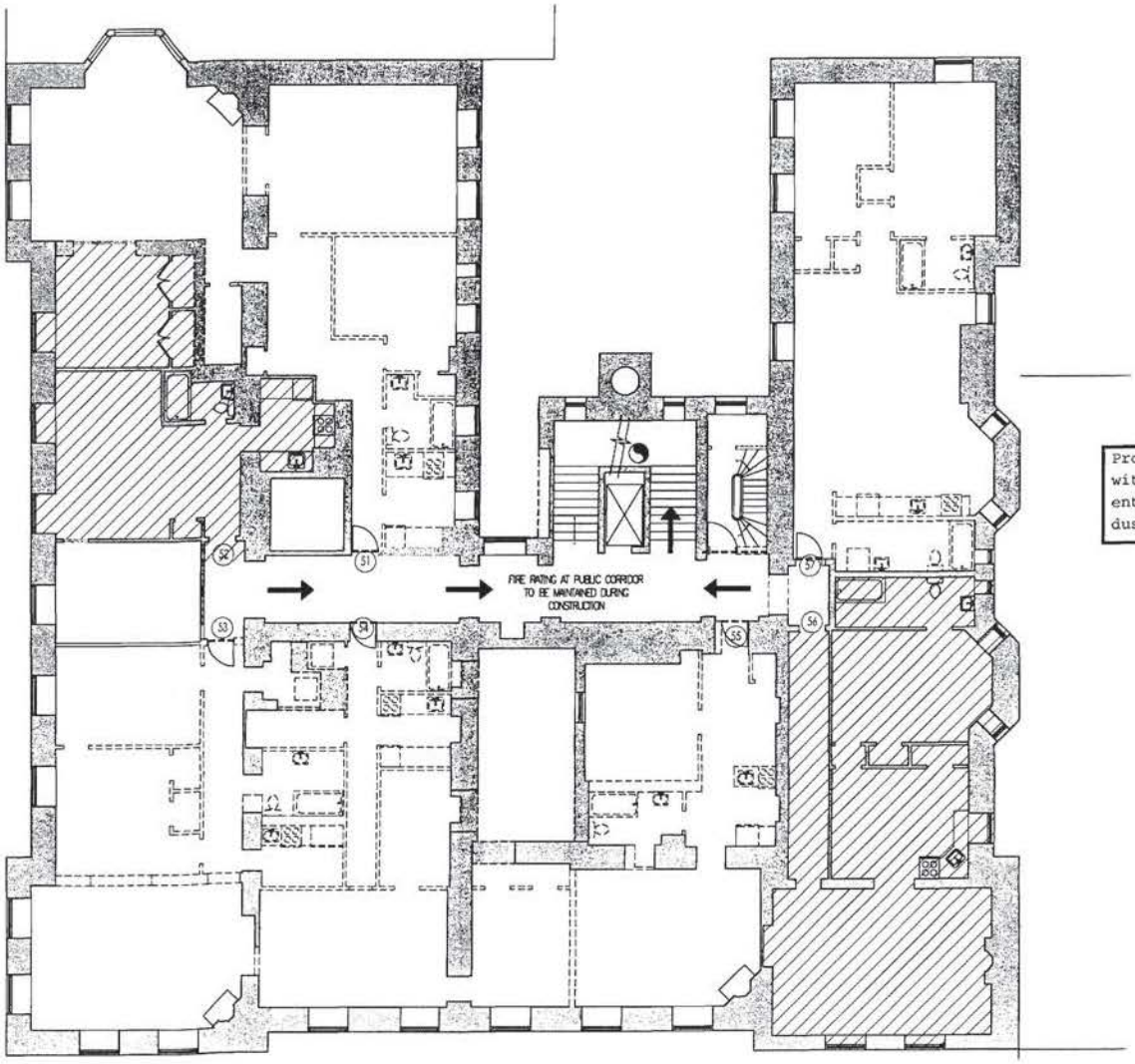


project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

issued:

7/7/2015

5TH FLOOR PLAN



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

APPROVED
NYC Development Hub

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL WITH 2 HR RATED DOOR

REGISTERED ARCHITECT
STATE OF NEW YORK

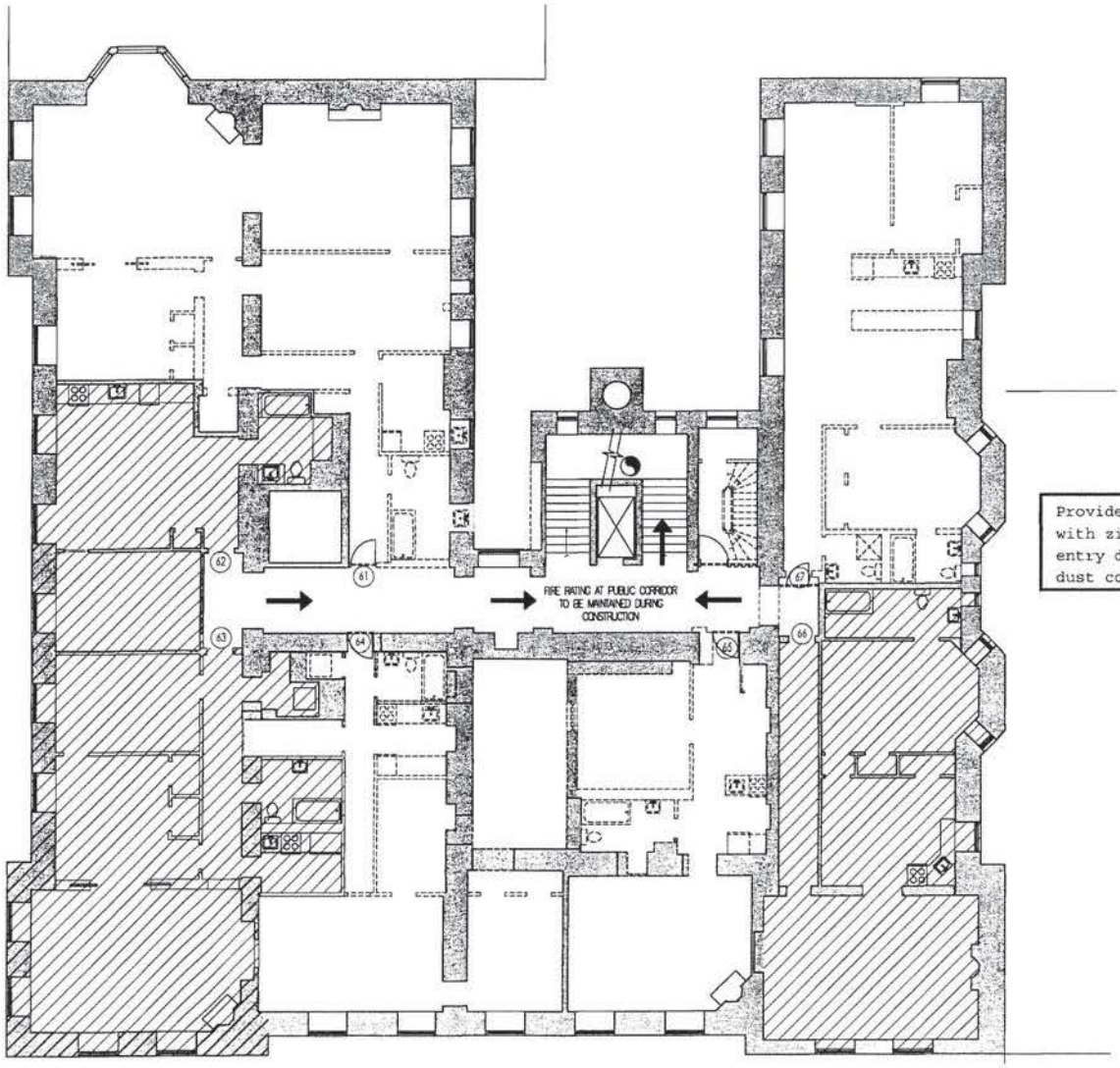
TPP-008.00

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.

DEPT OF BLDGS 121235341 Job Number

ES922209768 Scan Code

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL WITH 2 HR RATED DOOR

Margaretha Bark, RA
APPROVED
NYC Development Hub

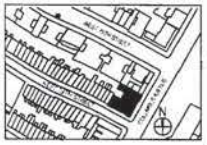
H I O
ARCHITECT

Owner:
Newcastle Realty Services, LLC

Structural Engineer:
Ahmad Ardebili
Sivanad Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Carlesimo, P.E.
Edwards & Zuck, P.C.

THESE DRAWINGS ARE BASED ON FIELD SURVEYS AND DRAWINGS FURNISHED TO THE ARCHITECT BY OTHERS. THE ACCURACY OF SUCH SURVEYS AND DRAWINGS HAS NOT BEEN INDEPENDENTLY VERIFIED. THERE MAY BE SIGNIFICANT DISCREPANCIES BETWEEN THE DIMENSIONS REFLECTED ON THE CONTRACT DOCUMENTS AND THE EXISTING CONDITIONS AT THE PROJECT. ACCORDINGLY, IT IS IMPERATIVE THAT THE CONTRACTOR DETERMINE, INVESTIGATE AND VERIFY ALL FIELD MEASUREMENTS, DIMENSIONS AND SITE CONDITIONS FOR PERFORMANCE OF THE WORK AND CHECK AND COORDINATE SUCH INFORMATION WITH THE CONTRACT DOCUMENTS.



project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

tenant:

issued:

7/7/2015

drawing title:
6TH FLOOR PLAN

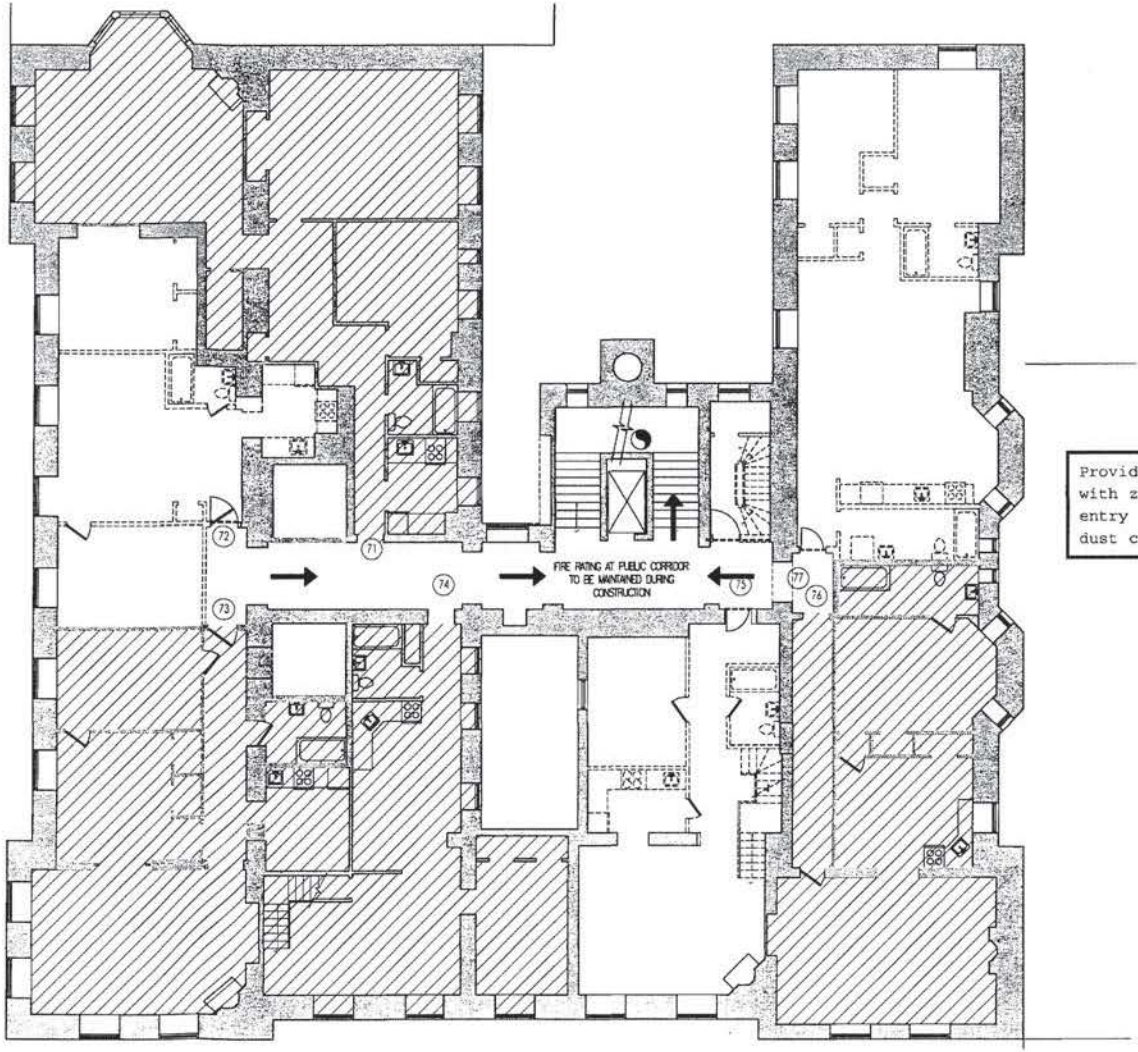
QUALIFIED ARCHITECT
STATE OF NEW YORK

DATE	2015.07
DRAWN BY	TPP
CHECKED BY	RBH
APPROVED BY	DEG
SCALE	1/8"=1'-0"

TPP-009.00

DEPT OF BLDGS 121235341 Job Number

ES664277095 Scan Code



Provide double layer heavy drop cloth with zippers at each occupied tenant's entry door in public corridor for dust control

LEGEND	
	SIAMESE CONNECTION
	FIRE STANDPIPE CONNECTION
	FIRE HYDRANT
	TENANT OCCUPIED AREA
	TENANT EGRESS ROUTE
	2 HR RATED TEMPORARY WALL, WITH 2 HR RATED DOOR

Margarita Bard, RA
APPROVED
NYC Development Hub

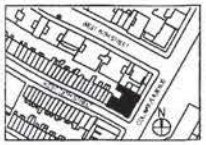
HIO ARCHITECT

Owner:
Newcastle Realty Services, LLC

Structural Engineers:
Ahmad Ardebili
Severud Associates
Consulting Engineers, P.C.

MEP Engineer:
Enzo A. Cadesimo, P.E.
Edwards & Zurk, P.C.

THESE DRAWINGS ARE BASED ON FIELD SURVEYS AND DRAWINGS FURNISHED TO THE ARCHITECT BY OTHERS. THE ACCURACY OF SUCH SURVEYS AND DRAWINGS HAS NOT BEEN INDEPENDENTLY VERIFIED. THERE MAY BE SIGNIFICANT DISCREPANCIES BETWEEN THE DIMENSIONS REFLECTED ON THE CONTRACT DOCUMENTS AND THE EXISTING CONDITIONS AT THE PROJECT. ACCORDINGLY, IT IS IMPERATIVE THAT THE CONTRACTOR DETERMINE, INVESTIGATE AND VERIFY ALL FIELD MEASUREMENTS, DIMENSIONS AND SITE CONDITIONS FOR PERFORMANCE OF THE WORK AND CHECK AND COORDINATE SUCH INFORMATION WITH THE CONTRACT DOCUMENTS.



project:
TENANT PROTECTION PLAN FOR: THE EVELYN
101 WEST 78TH
NEW YORK, NY 10024

issued:
7/7/2015

7TH FLOOR PLAN

REGISTERED ARCHITECT
STATE OF NEW YORK

TPP-010.00

These drawings are an instrument of service and are the property of the architect. Infringements will be prosecuted.

FORM OF ACCESS AGREEMENT

ACCESS AGREEMENT

AGREEMENT, dated _____ by and between **101 WEST 78th LLC** ("Landlord"), with offices located at 45 Rockefeller Plaza, 31st Floor, New York, NY 10111 and _____ ("Tenant"), residing at 101 West 78th Street, Unit__, New York, NY 10024.

WITNESSETH:

WHEREAS, Landlord is the owner and landlord of the Building located at 101 West 78th Street, New York, NY 10024 (hereinafter the "Building"); and

WHEREAS, Tenant is possession of Unit __ (the "Apartment") in the Building, pursuant to a written lease, dated _____, by and between Landlord's predecessor, as landlord, and Tenant, as tenant, as most recently extended by a renewal agreement, expiring _____, by and between Landlord, as landlord, and Tenant, as tenant (collectively, the "Lease"); and

WHEREAS, Tenant currently resides in the Apartment and has a monthly legal regulated rent of_____, which is being waived through May, 2017; and

WHEREAS, Landlord is currently engaged in certain work at the Building, including, but not limited to: the installation, replacement, and improvement of various components of the Building's mechanical and plumbing systems; exterior window replacement and other Building renovations; and the replacement of all apartment entrance doors (the "Landlord's Work"), which work will require access to the Apartment; and

WHEREAS, Landlord reasonably expects Landlord's Work in the Apartment to require approximately _____ days of work in the aggregate, over one or more periods of time (the "Access Periods"), but subject to field conditions, the work may take more or less time than estimated;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Tenant shall permit Landlord, Landlord's representatives, or Landlord's contractors access to the Apartment upon forty-eight (48) hours prior written notice for the purpose of surveying and/or inspecting the apartment prior to the start of any work (the "Access Date").

2. Tenant shall provide Landlord access to the Apartment during the Access Periods, for the time frames recited in Exhibit "A" annexed hereto, upon no less than five (5) days' notice to the Tenant in order to perform the work specified on Exhibit "A" (the "Landlord's Apartment Work").

3. In the event that, after the commencement of the Landlord's Apartment Work, Landlord anticipates that the Landlord's Apartment Work will exceed the Access Period, Landlord shall advise Tenant in writing, at least twenty-four (24) hours prior to the expiration of the Access Period, of the additional time that Landlord will require to complete the Landlord's Apartment Work (the "Extension Notice"), and the Access Period shall continue.

4. After the completion of Landlord's Work, and upon forty-eight (48) hours prior notice, Tenant shall permit Landlord its project engineer and/or any inspector designated by a City or State agency to access the Apartment for any and all required final inspection(s).

5. All of Landlord's Apartment Work shall be performed in good and workmanlike manner, in compliance with all applicable laws, codes, rules and regulations. At the conclusion of each work day, Landlord shall clean the Apartment and remove all materials and equipment. Landlord will use commercially reasonable efforts to minimize the work area in the Apartment.

6. Landlord shall repair and/or replace, as necessary, any damage to the Apartment or to Tenant's personal property which is caused by the Landlord's Apartment Work.

7. Prior to commencing the Landlord's Apartment Work, Landlord and Tenant shall jointly inspect the Apartment so as to make note of any damage to the Apartment and/or Tenant's personal property which existed prior to the commencement of Landlord's Apartment Work. Landlord and Tenant will photograph Tenant's property during the inspection to document its then existing condition, including, but not limited to, any existing damage. Landlord shall remove all furniture within the area of the Landlord's Apartment Work and safeguard same from damage prior to commencing the Landlord's Apartment Work. Upon completion of Landlord's Apartment Work, Landlord shall return all furniture items to their location prior to the Landlord's Apartment Work and retain a professional cleaning company to clean the Apartment.

8. In consideration for Tenant agreeing to provide access for Landlord's Apartment Work, and the inconvenience associated therewith, as well as in consideration for any disruption and/or inconvenience associated with Landlord's rehabilitation and renovation of the Building, Landlord has agreed as follows:

9. Tenant acknowledges and agrees that the terms of this Agreement are confidential and may not be disclosed to any third party, including, but not limited to, any tenant, resident, or occupant of the Building, except that Tenant may disclose same to her respective attorney and/or accountant. Tenant understands that the obligation to keep the terms of this Agreement confidential is a material inducement for Landlord to enter into this Agreement and Tenant is legally bound to maintain the confidentiality.

10. In the event that Tenant breaches the confidentiality paragraph of this Agreement, Tenant shall be liable for any actual or consequential damages arising out of such breach, e.g. if Landlord incurs additional costs and expenses, including attorneys' fees, in connection with negotiating a settlement with another tenant, resident, or occupant of the Building because Tenant and/or her agent(s), informs such tenant, resident, or occupant and/or their representatives about the terms and conditions of this Agreement Tenant shall be liable for such additional costs and expenses, including attorneys' fees.

11. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

12. In the event either party believes the other has breached this Agreement, the parties will endeavor, in good faith, to resolve such dispute. In the event the parties are unable to resolve any dispute, either party shall have the right to seek relief from the Courts of the State of New York to enforce this Agreement.

13. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its principles of conflicts of law.

14. Except as set forth herein, this Agreement contains the entire agreement between the parties with regard to the subject matter hereof and any executory agreement hereafter made between the parties shall be ineffective to change, modify, waive, release, discharge or terminate this Agreement, in whole or in part, unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification, waiver, release, discharge or termination is sought.

15. Tenant acknowledges that (i) Landlord has advised her that she has a right to consult with counsel of her choice; (ii) she has had the opportunity to consult with counsel of her choice; and (iii) has either done so or has elected not to do so of her own volition.

16. The parties acknowledge they have entered into this Agreement freely and voluntarily and agree that this Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

17. If any provision of this Agreement or its application to any person or circumstances is invalid or unenforceable to any extent, the remainder of this Agreement, or the applicability of such provision to other persons or circumstances, shall be valid and enforceable to the fullest extent permitted by law and shall be deemed to be separate from such invalid or unenforceable provisions and shall continue in full force and effect.

18. This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which when taken together shall constitute but one and the same instrument. Facsimile signatures shall be deemed originals.

Dated: New York, New York
_____, 2015

101 WEST 78TH LLC,
Landlord
By:_____
Name:
Title:

_____
_____, *Tenant*

FORM OF TEMPORARY VACATE/ACCESS AGREEMENT

TEMPORARY VACATE/ACCESS AGREEMENT

AGREEMENT, dated _____ by and between **101 WEST 78th LLC** ("Landlord"), with offices located at 45 Rockefeller Plaza, 31st Floor, New York, NY 10111 and _____ ("Tenant"), residing at 101 West 78th Street, Unit__, New York, NY 10024.

WITNESSETH:

WHEREAS, Landlord is the owner and landlord of the Building located at 101 West 78th Street, New York, NY 10024 (hereinafter the "Building"); and

WHEREAS, Tenant is possession of Unit __ (the "Apartment") in the Building, pursuant to a written lease, dated _____, by and between Landlord's predecessor, as landlord, and Tenant, as tenant, as most recently extended by a renewal agreement, expiring _____, by and between Landlord, as landlord, and Tenant, as tenant (collectively, the "Lease"); and

WHEREAS, Tenant currently resides in the Apartment and has a monthly legal regulated rent of _____, which is being waived through May, 2017; and

WHEREAS, Landlord is currently engaged in certain work at the Building, including, but not limited to: the installation, replacement, and improvement of various components of the Building's mechanical and plumbing systems; exterior window replacement and other Building renovations; and the replacement of all apartment entrance doors (the "Landlord's Work"), which work will require access to the Apartment; and

WHEREAS, Landlord reasonably expects Landlord's Work in the Apartment to require approximately _____ days of work in the aggregate, over one or more periods of time (the "Access Periods"), but subject to field conditions, the work may take more or less time than estimated;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Tenant shall permit Landlord, Landlord's representatives, or Landlord's contractors access to the Apartment upon forty-eight (48) hours prior written notice for the purpose of surveying and/or inspecting the apartment prior to the start of any work (the "Access Date").

2. Tenant shall provide Landlord access to the Apartment during the Access Periods, for the time frames recited in Exhibit "A" annexed hereto, upon no less than five (5) days' notice to the Tenant in order to perform the work specified on Exhibit "A" (the "Landlord's Apartment Work").

3. In the event that, after the commencement of the Landlord's Apartment Work, Landlord anticipates that the Landlord's Apartment Work will exceed the Access Period, Landlord shall advise Tenant in writing, at least twenty-four (24) hours prior to the expiration of the Access Period, of the additional time that Landlord will require to complete the Landlord's Apartment Work (the "Extension Notice") and the Access Period shall continue.

4. In addition to the Access Period, and upon no less than ___ days prior notice, Tenant will be required to vacate the apartment, as required by the New York City Building Code, on weekdays between 9:00AM and 4:00PM, but only on those days when Landlord's repairs to the parapet walls and structural steel work on the roof (the "Roof Work") take place directly above the Apartment (the "Roof Work Period"). Tenant shall not be permitted in the apartment between 9:00AM and 4:00PM during the Roof Work Period, but shall have access to the Tenant Lounge, defined below, during such periods.

5. In consideration for agreeing to provide access for Roof Work and the inconvenience associated therewith, Landlord has agreed to establish a lounge on the ground floor of the Building for displaced tenants (the "Tenant Lounge"). The Tenant Lounge shall be available to Tenant at all times he cannot access the Apartment and shall be furnished with couches, tables and chairs, and landlord will provide wireless internet, cable television, food and beverages. The Tenant Lounge shall only be available to tenants displaced by the Roof Work.

6. After the completion of Landlord's Work, and upon forty-eight (48) hours prior notice, Tenant shall permit Landlord, its project engineer, contractor and/or any inspector designated by a City or State agency to access the Apartment for any and all final inspection(s).

7. All of Landlord's Apartment Work shall be performed in good and workmanlike manner, in compliance with all applicable laws, codes, rules and regulations. At the conclusion of each work day, Landlord shall clean the Apartment and remove all materials and equipment. Landlord will use commercially reasonable efforts to minimize the work area in the Apartment.

8. Landlord shall repair and/or replace, as necessary, any damage to the Apartment or to Tenant's personal property which is caused by the Landlord's Apartment Work.

9. Prior to commencing the Landlord's Apartment Work, Landlord and Tenant shall jointly inspect the Apartment so as to make note of any damage to the Apartment and/or Tenant's personal property which existed prior to the commencement of Landlord's Apartment Work. Landlord and Tenant will photograph Tenant's property during the inspection to document its then existing condition, including, but not limited to, any existing damage. Landlord shall remove all furniture within the area of the Landlord's Apartment Work and safeguard same from damage prior to commencing the Landlord's Apartment Work. Upon completion of Landlord's Apartment Work, Landlord shall return all furniture items to their

location prior to the Landlord's Apartment Work and retain a professional cleaning company to clean the Apartment.

10. In consideration for Tenant agreeing to provide access for Landlord's Apartment Work, and the inconvenience associated therewith, as well as in consideration for any disruption and/or inconvenience associated with Landlord's rehabilitation and renovation of the Building, Landlord has agreed as follows:

11. Tenant acknowledges and agrees that the terms of this Agreement are confidential and may not be disclosed to any third party, including, but not limited to, any tenant, resident, or occupant of the Building, except that Tenant may disclose same to his respective attorney and/or accountant. Tenant understands that the obligation to keep the terms of this Agreement confidential is a material inducement for Landlord to enter into this Agreement and Tenant is legally bound to maintain the confidentiality.

12. In the event that Tenant breaches the confidentiality paragraph of this Agreement, Tenant shall be liable for any actual or consequential damages arising out of such breach, e.g. if Landlord incurs additional costs and expenses, including attorneys' fees, in connection with negotiating a settlement with another tenant, resident, or occupant of the Building because Tenant and/or his agent(s), informs such tenant, resident, or occupant and/or their representatives about the terms and conditions of this Agreement Tenant shall be liable for such additional costs and expenses, including attorneys' fees.

13. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

14. In the event either party believes the other has breached this Agreement, the parties will endeavor, in good faith, to resolve such dispute. In the event the parties are unable to

resolve any dispute, either party shall have the right to seek relief from the Courts of the State of New York to enforce this Agreement.

15. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its principles of conflicts of law.

16. Except as set forth herein, this Agreement contains the entire agreement between the parties with regard to the subject matter hereof and any executory agreement hereafter made between the parties shall be ineffective to change, modify, waive, release, discharge or terminate this Agreement, in whole or in part, unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification, waiver, release, discharge or termination is sought.

17. Tenant acknowledges that (i) Landlord has advised him that he has a right to consult with counsel of his choice; (ii) he has had the opportunity to consult with counsel of his choice; and (iii) has either done so or has elected not to do so of her own volition.

18. The parties acknowledge they have entered into this Agreement freely and voluntarily and agree that this Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

19. If any provision of this Agreement or its application to any person or circumstances is invalid or unenforceable to any extent, the remainder of this Agreement, or the applicability of such provision to other persons or circumstances, shall be valid and enforceable to the fullest extent permitted by law and shall be deemed to be separate from such invalid or unenforceable provisions and shall continue in full force and effect.

20. This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which when taken

together shall constitute but one and the same instrument. Facsimile signatures shall be deemed originals.

Dated: New York, New York
_____, 2015

101 WEST 78TH LLC,
Landlord
By:_____
Name:
Title:

_____
_____, *Tenant*

Exhibit "A"

FORM OF TEMPORARY RELOCATION AGREEMENT

TEMPORARY RELOCATION AGREEMENT

AGREEMENT (the "Agreement") made as of the ____ day of _____, 2015, by and between **101 West 78th LLC** (hereinafter "Landlord"), with offices located at 45 Rockefeller Plaza, New York, New York 10111, and _____(hereinafter, "Tenant"), residing at 101 West 78th Street, Apartment__, New York, New York 10024.

WITNESSETH:

WHEREAS, Landlord is the owner and landlord of the Building located at 101 West 78th Street, New York, New York 10024 (hereinafter the "Building"); and

WHEREAS, Tenant is the rent controlled tenant of Apartment __ in the Building (the "Apartment") pursuant to a rental agreement by and between Landlord's predecessor-in-interest, as landlord, and Tenant (collectively, the "Lease"); and

WHEREAS, pursuant to the Lease, Tenant currently resides in the Apartment and has a monthly legal rent of_____, which is being waived through May, 2017; and

WHEREAS, the Apartment is subject to the Emergency Housing Rent Control Law and the New York City Rent and Evictions Regulations; and

WHEREAS, Landlord is currently engaged in certain work at the Building, including, but not limited to: the installation, replacement, and improvement of various components of the Building's mechanical and plumbing systems; exterior window replacement and other Building renovations; and the replacement of all apartment entrance doors (the "Landlord's Work"), which work will require access to the Apartment; and

WHEREAS, portions of Landlord's Work will require access to the Apartment; and

WHEREAS, Tenant has agreed to temporarily relocate on or about _____(the "Vacate Date") to _____ (the "Relocation Apartment") for a period of approximately six (6) to

nine (9) months at Landlord's cost and expense, after which, Tenant will move back into the Apartment (the "Reoccupancy Date"); Relocation Apartment shall be dog friendly; and

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Upon execution of this Agreement, Landlord shall execute the lease for the Relocation Apartment. On or about_____, Landlord shall relocate Tenant, to the Relocation Apartment, through the date which is ten (10) days after (i) Landlord's Work in the Apartment is complete; (ii) any work on the roof which Landlord reasonably anticipates would require Tenant to temporarily vacate the Apartment, including a temporary absence during business hours (the "Reoccupancy Date"). Notwithstanding anything to the contrary contained in the Lease or in any other agreement between the parties, Landlord and Tenant agree that the Lease for the Apartment remains in full force and effect, subject to the parties' rights hereunder. Tenant shall vacate the Apartment effective on the Vacate Date, with *time being of the essence*. Notwithstanding the foregoing, Tenant shall retain her rights as the rent controlled tenant of the Apartment, subject to the terms hereof, and nothing contained herein, nor Tenant's temporary relocation shall diminish Tenant's right as a rent controlled tenant of the Apartment.

2. Landlord shall arrange for a licensed, bonded mover to pack so much of Tenant's furniture, furnishings and personal property as Tenant designates and deliver them to the Relocation Apartment and have them returned to the Apartment and unpacked on or before the Reoccupancy Date (as defined herein), all at Landlord's cost and expense. The remainder of Tenant's property shall be packed by Landlord's mover and stored through the Reoccupancy Date, and returned to the Apartment on the Reoccupancy Date.

3. During the temporary relocation, Landlord shall perform the following work to the Apartment:

(a) Replace all existing windows and install sprinkler head above lot line windows that will connect to sprinkler riser

(b) Remove two windows facing interior courtyard wall, seal wall and install mechanical ventilation as required by removal of windows

(c) Replace electrical wiring throughout the Apartment

(d) Replace existing Apartment door and reuse existing door lock.

(e) Connect existing radiators to new steam risers

(f) Plaster and paint the entire Apartment in color selected by Tenant within ten (10) days of Landlord's request for same. Upon Tenant's failure to provide any paint color selections, Landlord shall paint the Apartment in standard colors selected by Landlord in its reasonable discretion.

(g) Install new window along west facing wall

(h) Repair and waterproof exterior walls

(i) Such other work that is necessary to put the apartment in habitable condition

4. Upon furnishing Tenant with keys to the Relocation Apartment and complying with the portion of paragraph "2" relating to Tenant's move out of the Apartment, Tenant shall deliver to Landlord the keys to the Apartment so that Landlord may secure the Apartment, including changing the "house" lock if it chooses to do so, through the Reoccupancy Date.

5. Tenant's occupancy of the Relocation Apartment shall be as a licensee of Landlord, only, at no fee, and with no right to possession, except as set forth herein. Tenant acknowledges that he Apartment is temporarily only and she shall not be a rent-stabilized or rent-controlled Tenant therein.

6. Landlord shall pay any and all costs incurred by Tenant to transfer her existing utilities to the Relocation Apartment, including gas, electric, cable television, internet and/or telephone service. Likewise, Landlord shall pay any and all costs incurred by Tenant to transfer her utilities back to the Apartment, including gas, electric, cable television, and internet and/or telephone service. Landlord shall not be responsible for payment of any utility service to the Relocation Apartment, other than those costs

incurred solely as a result of Tenant's relocation. Notwithstanding the foregoing, in the event that Con Edison will not open an account in Tenant's name for the Relocation Apartment, then Landlord will establish service and pay the cost thereof.

7. Upon ten (10) days' notice that Landlord has substantially completed the work set forth in Paragraph "3" hereof, Landlord shall deliver to Tenant a notice (the "Completion Notice") fixing the Reoccupancy Date, which shall be no less than ten (10) days after the delivery of the Completion Notice.

8. Tenant shall vacate and surrender the Relocation Apartment on or before the Reoccupancy Date. On the Reoccupancy Date, Landlord shall deliver to Tenant the keys to the Apartment and Tenant shall execute and deliver to Landlord a surrender notice annexed hereto as Exhibit "A" (the "Surrender Notice"). Tenant shall take reasonable care of the Relocation Apartment and shall return same to Landlord in substantially the same condition as the condition in which it was delivered to Tenant.

9. Provided that Landlord has complied with its obligations under this Agreement, in the event that Tenant fails to vacate the Apartment on or before the Vacate Date after service of a ten (10) day notice to cure, in addition to any other remedy that Landlord may have under this Agreement, at law or in equity, Tenant shall be deemed to have consented to a mandatory injunction in favor of Landlord requiring her to immediately grant Landlord access to the Apartment. This paragraph shall not constitute a modification or waiver of Tenant's obligation to vacate the Apartment on or before the Vacate Date and in accordance with the terms of this Agreement and shall be without prejudice to Landlord's claim for money damages.

10. If Tenant fails to timely move back to the Apartment in accordance with the terms of this Agreement, after service of a fourteen (14) day notice to quit, Landlord shall be entitled to recover possession of the Relocation Apartment from Tenant in a licensee holdover proceeding.

11. Any notices hereunder shall be sent by certified first class mail, as follows:

(a) If to Landlord, c/o GTIS Partners at 45 Rockefeller Plaza, New York, New York 10111, ATTN:_____, with a copy to Landlord by electronic mail to _____ and _____, and to Landlord's counsel, Rosenberg & Estis, P.C., at 733 Third Avenue, New York, New York, attention: Deborah Riegel, with a copy by electronic mail at driegel@rosenbergestis.com; and

(b) to Tenant, (i) prior to the Vacate Date, at the Apartment, and (ii) between the Vacate Date and the Reoccupancy Date at the Relocation Apartment.

12. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the parties' respective successors and assigns.

13. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its principles of conflicts of law.

14. Except as set forth herein, this Agreement contains the entire agreement between the parties with regard to the subject matter hereof and may not be changed, modified, waived, released, discharged or terminated, in whole or in part, unless in writing and signed by both parties.

15. Tenant acknowledges that she has had the opportunity to consult with counsel of her choice for the purpose of entering into this Agreement and either did so or elected not to.

16. Tenant expressly represents that Tenant voluntarily agreed to temporarily vacate the Apartment and to temporarily occupy the Relocation Apartment. Tenant acknowledges that she was (a) not harassed in any manner with respect to this Agreement, and (b) has entered into this Agreement to freely and of her own volition.

17. The parties acknowledge they have entered into this Agreement freely and voluntarily and agree that this Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

18. Tenant's willingness and agreement to relocate to the Relocation Apartment shall in no way prevent or preclude Tenant from reoccupying the Apartment, once Landlord substantially completes Landlord's Work hereunder.

19. If any provision of this Agreement or its application to any person or circumstances is invalid or unenforceable to any extent, the remainder of this Agreement, or the applicability of such provision to other persons or circumstances, shall be valid and enforceable to the fullest extent permitted by law and shall be deemed to be separate from such invalid or unenforceable provisions and shall continue in full force and effect.

20. This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which when taken together shall constitute but one and the same instrument. Facsimile signatures shall be deemed originals.

[SIGNATURES TO FOLLOW]

21. The parties acknowledge and agree that this Agreement shall be assignable by Landlord or such successor in interest as Landlord may designate.

Dated: New York, New York
_____, 2015

101 WEST 78TH LLC
Landlord

By: _____
Name:
Title:

_____
_____, *Tenant*

Exhibit A

SURRENDER NOTICE

_____, being the tenant ccupant of Apartment No. __ (the "Apartment") at the Building known as 101 West 78th Street, New York, New York, and the occupancy of Apartment _____ at _____, New York, New York (the "Relocation Apartment"), hereby declares:

1. I have vacated the Relocation Apartment, on _____ and hereby voluntarily surrender possession of same.

2. The Relocation Apartment is unoccupied and is free of all other occupants and there is no other person and/or entity having any rights to or claim against the Apartment or in possession of the Apartment.

3. All my personal property has been removed and I hereby abandon any property remaining in the Relocation Apartment.

_____

_____, Tenant

FORM OF SURRENDER AGREEMENT

SURRENDER AGREEMENT

AGREEMENT ("Agreement") made as of the ____ day of _____, 2016, by and between **101 West 78th LLC** ("Landlord" and its successors and assigns), with offices located at 45 Rockefeller Plaza, New York, New York 10111, and _____ ("Tenant"), residing at 101 West 78th Street, Apartment __, New York, New York 10024.

W I T N E S S E T H:

WHEREAS, Landlord is the owner and landlord of the building located at 101 West 78th Street, New York, New York 10024 ("Building"); and

WHEREAS, Tenant is the rent stabilized tenant of Apartment __ in the Building ("Premises") pursuant to a rental agreement by and between Landlord's predecessor-in-interest, as landlord, and Tenant (collectively, the "Lease"); and

WHEREAS, pursuant to the Lease, Tenant currently resides in the Premises and has a monthly legal rent of $_____, which is being waived through May, 2017; and

WHEREAS, the Premises is subject to the Rent Stabilization Law ("RSL") and the implementing Rent Stabilization Code ("RSC") or the Emergency Housing Rent Control Law and NYC Rent and Evictions Regulations; and

WHEREAS, the parties agree to terminate the Lease as of the date of this Agreement, and allow Tenant to surrender all right, title and interest in the Premises to Landlord, effective _____, subject to the terms of this Agreement, and to surrender vacant possession of the Premises on or before _____ ("Vacate Date") in exchange for the consideration set forth herein; and now therefore,

IT IS HEREBY AGREED, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, as follows:

1. Notwithstanding anything to the contrary contained in the Lease or in any other agreement between the parties, Landlord and Tenant agree that the Lease is terminated as of the Vacate Date. Tenant hereby waives, releases and surrenders to Landlord all right, title, and interest Tenant may have in and to the Lease and the Premises, and surrenders and waives any and all rights Tenant may have to continue in possession of the Premises, except solely to the extent set forth herein. Tenant further represents and warrants that Tenant does not have any rights to, or claims against, the Premises, including, but not limited to, a claim that Tenant has a right to occupy the Premises, except as set forth herein. Tenant acknowledges and agrees that Tenant's agreement to terminate the Lease and surrender Vacant Possession (defined below) of the Premises was a material inducement for Landlord to enter into this Agreement, and that Landlord is entering into this Agreement in reliance on the same.

2. Tenant hereby represents that (i) Tenant is in sole possession of the Premises, (ii) there are no other persons and/or entities in possession of the Premises, (iii) Tenant is not aware of any other persons and/or entities having any rights to or claims against the Premises, and (iv) this Agreement arises out of the parties' mutual agreement to terminate the Lease and accept Tenant's surrender of the Premises.

3. Tenant hereby agrees that Tenant will not assign the terminated Lease or sublet the Premises or permit any person to occupy the Premises, other than occasional houseguests, between the date of this Agreement and the Vacate Date.

4. In consideration for and conditioned upon Tenant's timely performance and full compliance with all of the terms and conditions of this Agreement, Landlord agrees to waive any unpaid rent through the date hereof and use and occupancy for the period from _____ through _____.

5. Tenant shall surrender "Vacant Possession" of the Premises to Landlord at a closing ("Closing") to be held on or before the Vacate Date at or before 5:00 p.m. at the Premises by delivering to Landlord's agent, _____: (a) the keys to the Premises and to the mailbox ("Keys"), (b) an executed notice in the form annexed hereto as Exhibit "A" confirming that Tenant has surrendered Vacant Possession of the Premises to Landlord ("Surrender Notice"); and (c) an executed letter in the form annexed hereto as Exhibit "B" to the New York State Division of Housing and Community Renewal ("DHCR") withdrawing any complaint or claim relating to the Premises ("DHCR Letter") (the Keys, Surrender Notice, and the DHCR Letter being referred to collectively as the "Surrender Documents"). For purposes of this Agreement, the term "Vacant Possession" shall mean actual and legal possession of the Premises, in good condition, normal wear and tear excepted, free and clear of all occupants and claims to or against the Premises, and free and clear of all personal property in the Premises, except as otherwise provided herein.

6. Tenant will be provided access to the elevator to move Tenant's personal property from the Premises on _____, between 9 am and 5 pm ("Moving Day").

7. Upon Tenant's delivery at the Closing of Vacant Possession of the Premises to Landlord, Tenant agrees that (a) any property remaining in the Premises shall be deemed abandoned by Tenant; and (b) such property may be removed and disposed of by Landlord. Tenant further agrees that Landlord shall bear no liability for any such removal or disposal of property which is deemed abandoned.

8. Tenant acknowledges and recognizes that "**TIME IS OF THE ESSENCE**" in complying with all of the terms and conditions of this Agreement, including, but not limited to, timely surrendering Vacant Possession of the Premises to Landlord. Based upon Tenant's representation that Tenant will comply with all of the terms and conditions of this Agreement

and will vacate in a timely manner, Landlord has entered into this Agreement. Based upon Landlord's representation that it will comply with all of the terms and conditions of this Agreement, Tenant has entered into this Agreement.

9. As consideration for, and conditioned upon, Tenant's timely performance and full compliance with the terms and conditions of this Agreement, Landlord will pay Tenant the sum of _____ ($_____) ("Payment"), as set forth herein.

10. Upon Tenant surrendering Vacant Possession of the Premises and delivering the Surrender Documents to Landlord at the Closing, Landlord shall deliver to Tenant the Payment.

11. Tenant understands that Tenant's obligation to timely surrender Vacant Possession of the Premises to Landlord on or before the Vacate Date is unconditional, and not contingent on Tenant obtaining other housing accommodations and that if Tenant does not timely surrender Vacant Possession of the Premises, Landlord will commence an action or proceeding against Tenant to recover possession of the Premises, and that Landlord may submit this Agreement to the Court as evidence of Tenant's obligation to vacate the Premises in order to obtain a judgment of possession.

12. In the event Tenant fails, for whatever reason, to timely surrender Vacant Possession of the Premises, the payment due hereunder shall be reduced at the rate of $1,000.00 per day for each day that Tenant holds over after the Vacate Date for up to ten (10) days. In the event Tenant holds over in possession of the Premises for more than ten (10) days after the Vacate Date, (i) Tenant shall forfeit the right to the Payment enumerated in this Agreement, and (ii) shall be liable and agrees to the immediately pay Landlord the Arrears and the monthly sum of $_____, that being the monthly fair market value and reasonable use and occupancy for the Premises, for each monthly period from the Vacate Date until Tenant surrenders Vacant

Possession to Landlord. This clause shall in no way be construed as a modification or waiver of Tenant's obligation under this Agreement to vacate the Premises on or before the Vacate Date.

13. The parties agree that Landlord is holding $_____ as security deposit for the Premises ("Security Deposit"). On condition that Tenant timely vacates the Premises, Landlord shall return the Security Deposit within thirty (30) days after the Vacate Date to Tenant in full in accordance with the terminated Lease. Tenant's address for the purposes of returning the security deposit is _____.

14. For the valuable consideration set forth above, Tenant will, at Closing, withdraw any complaint or claim relating to the Premises which Tenant may have filed with DHCR and any other government agency or court, and Tenant will provide Landlord with any document Landlord may need in order to effectuate such withdrawal including, but not limited to, the letter to the DHCR annexed hereto as Exhibit "B." Tenant further consents that Landlord may submit this Agreement to DHCR after the Closing, in addition to, or in lieu of, any other document, as conclusive evidence of Tenant's intention to withdraw all claims made to DHCR relating to the Premises and/or to Landlord. Tenant hereby acknowledges and agrees that Landlord has not committed any act or inaction that could constitute harassment and Landlord may submit the Agreement to any government agency in lieu of an affidavit as conclusive evidence that Landlord has not harassed Tenant to vacate the Premises and Tenant has vacated the same voluntarily. Tenant acknowledges that prior to negotiations with Landlord with respect to the terms hereof, Tenant received a Tenant Buyout Notice as required by law.

15. Tenant acknowledges and agrees that Tenant is solely responsible for payment of any and all taxes due in connection with the agreements contained herein.

16. Tenant further acknowledges that Tenant has received and reviewed the Offering Plan to convert the Building in which the Premises is located to cooperative ownership. Tenant

warrants and represents that Tenant has irrevocably elected not to purchase the Premises; agrees that Tenant's election not to purchase shall not be revived by virtue of any extension of any other Tenant's right to purchase; and that Tenant has elected to enter into this Agreement freely and of his own volition in lieu of exercising any rights under the Offering Plan.

17. Except for the obligations contained in this Agreement, for the valuable consideration set forth above, the receipt and sufficiency of which is hereby acknowledged, each party hereby waives and releases any and all claims they may have, known or unknown, against the other party, the other party's predecessors and successors in interest, including all individuals, shareholders, assigns, partners, officers, directors, affiliates and other employees, and the other party's heirs, executors, administrators, successors and assigns, from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in law, admiralty or equity, which against the other party, each party, their heirs, executors, administrators, successors and assigns ever had, now have or hereafter can, shall or may, have for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this Agreement.

18. Tenant represents that Tenant has had the opportunity to consult with legal counsel of Tenant's choice before executing this Agreement and has either done so or elected not to; that Tenant is signing this Agreement knowingly and voluntarily; understands its meaning; and expressly consents that it be given full force and effect according to all of its express terms and provisions, including those related to release of unknown and unsuspected claims, demands, and causes of action.

19. This Agreement shall be binding upon and inure to the benefit of the respective parties, their heirs, assigns, executors, administrators and successors-in-interest to their property.

20. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and supersedes all previous and contemporaneous negotiations and agreements of the parties, all of which are merged into this Agreement. This Agreement may not be changed, modified, discharged, canceled, or waived orally, except by agreement in writing signed by the parties hereto.

21. This Agreement may be executed in counterparts. All such counterparts shall be deemed to be originals and shall together constitute but one and the same instrument.

22. For purposes of this Agreement, facsimile and/or email signatures shall be deemed to be originals.

23. The "Whereas" clauses are incorporated herein.

IN WITNESS WHEREOF, the parties hereto have respectively executed this Agreement as of the day and year first above written.

Dated: New York, New York
_____ ___, 2016

101 West 78th LLC
Landlord

By: _____
Name:
Title:

_____
_____, Tenant

[ACKNOWLEDGMENTS FOLLOW]

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year **2016** before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
NOTARY PUBLIC

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____ in the year **2016** before me, personally came _____ to me known, who, being by me duly sworn, did depose and say that he is a member of **101 West 78th LLC**, the limited liability company described in and which he executed the foregoing instrument; that the execution of the instrument by _____ was duly authorized according to the operating agreement of **101 West 78th LLC**; that said member executed the instrument on behalf of said limited liability company pursuant to said authorization and that he signed his name thereto by like authority.

_____
NOTARY PUBLIC

Exhibit "A"

SURRENDER NOTICE

_____ ("Occupant"), being in occupancy of Apartment __ in the building known as and located at 101 West 78th Street, New York, New York (the "Premises") hereby declares:

1. I have vacated the Premises as of _____ ___, 2016 and hereby voluntarily surrender possession of the Premises to **101 West 78th LLC** ("Landlord").

2. The Premises are unoccupied and free of all other occupants, and there is no other person and/or entity having any rights to or claim against the Premises or in possession of the Premises.

3. I have removed all of my personal property from the Premises and agree that any property remaining in the Premises is hereby deemed abandoned and may be removed and/or discarded by Landlord at my expense.

4. I hereby acknowledge that I have received the Payment and Security Deposit pursuant to Surrender Agreement, dated _____ __, 2016.

5. I hereby release and discharge the Landlord, its predecessors and successors in interest, including all shareholders, assigns, partners, officers, agents, directors and any other person or entity which may now or hereafter have a direct or indirect equitable or beneficial interest in the Premises, from any liability or responsibilities to me, and from any claims or damages which I may have in connection with the Premises or arising out of my occupancy thereof, including, but not limited to, any claims that I have vacated the Premises by other than voluntary surrender of possession.

_____

Surrender Accepted

By:_____

Date:_____

Exhibit "B"

_____
101 West 78th Street
Apartment No. __
New York, New York

_____, 2016

New York State Division of Housing
and Community Renewal
Gertz Plaza
93-31 Union Hall Street
Jamaica, New York 11433

Re: Docket No.:
Premises: 101 West 78th Street
Apartment: __
Tenant: _____

Dear Sir or Madam:

I am the Tenant who filed the above-referenced Complaint.

I hereby withdraw the referenced proceeding, with prejudice.

The basis for the withdrawal is a negotiated settlement with the Landlord. I have received substantial consideration for this withdrawal.

Kindly issue an order dismissing this proceeding.

Very truly yours,

_____