


CONDOMINIUM OFFERING PLAN FOR

# 45 EAST 22ND STREET CONDOMINIUM

41-45 East 22nd Street
NEW YORK, NEW YORK 10010

| | |
|---|---|
| 83 Condominium Residences | $ 662,590,000 |
| 41 Storage Bin Licenses | $ 1,718,000 |
| 9 Storage Closet Licenses | $ 772,200 |
| 17 Parking Licenses | $ 3,600,000 |
| Total Offering | $ 668,680,200 |

SPONSOR:

East 22nd Street Acquisition Holdings LLC
c/o The Continuum Company LLC
30 West 21st Street
New York, New York 10010
(212) 554-3700

SELLING AGENT:

Corcoran Sunshine Marketing Group
888 Seventh Avenue
39th Floor
New York, New York 10106
(212) 634-6501

Date of Acceptance for Filing: September 15, 2014

The term of the initial offer is twelve (12) months commencing on the Date of Acceptance for Filing. The term may be extended by a duly filed amendment to the offering plan.

**BECAUSE SPONSOR IS RETAINING THE RIGHT TO RENT RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN). THIS OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.**

**THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (vi).**

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## PART I

## A. SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

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.

1. **Use of Units**. 45 East 22nd Street Condominium (the "Condominium") contains 83 Units, 17 Parking Licenses, 41 Storage Bin Licenses and 9 Storage Closet Licenses that are being offered for sale under this Offering Plan, and Common Elements. The Units (and their appurtenant interest in the Common Elements), Parking Licenses, Storage Bin Licenses and Storage Closet Licenses are offered pursuant to this Offering Plan.

The Units may generally be used only for residential purposes and, subject to compliance with the Declaration and the By-Laws, for lawful home occupation as defined in the New York City zoning resolution; and may be leased by the Unit Owners thereof to tenants only for periods of not less than one year. (For more information, see "Rights and Obligations of Unit Owners and the Condominium Board", Section W in Part I of the Plan.)

2. **Payments**. At the time an agreement to purchase a Unit (a "Purchase Agreement") is executed, a Purchaser is required to make a payment in an amount equal to at least ten percent (10%) of the purchase price and on the earlier of thirty (30) days after the Plan is declared effective or within one hundred twenty (120) days after the initial down payment a Purchaser is required to make an additional payment of ten percent (10%) of the purchase price to bring the total down payment to twenty percent (20%) of the purchase price. Notwithstanding the foregoing, foreign governments and persons with diplomatic immunity will be obligated to make a down payment in an amount equal to at least fifty percent (50%) of the purchase price on the execution of a Purchase Agreement. In addition, at the time an agreement to purchase a License (as hereinafter defined) is executed, a Purchaser is required to make a payment in an amount equal to at least ten percent (10%) of the purchase price. In the event a Purchaser defaults under his or her Purchase Agreement and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Purchase Agreement and retain, as liquidated damages, the entire down payment made by the Purchaser, together with interest earned thereon, if any. TIME IS OF THE ESSENCE to a Purchaser as to a Purchaser's obligations pursuant to the Purchase Agreement, including, without limitation, for the payment of the balance of the purchase price.

In the event that a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Purchase Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may cancel such Purchase Agreement and retain as liquidated damages the Deposit made by the Purchaser, together with all interest earned thereon. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Purchase Agreement: (a) the closing apportionments to be made at the

closing will be made as of midnight of the day preceding the originally scheduled closing date; and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% of the purchase price of the Unit in question for each day that the closing is adjourned.

In the event a Purchaser defaults and the Deposit previously paid (together with any interest thereon) is retained by Sponsor (subject to the terms of the Plan), as liquidated damages, it is acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred and shall be paid by Purchaser to and retained by Sponsor. In such case, but only in such case, Purchaser shall have no further liability to Sponsor in respect of the Purchase Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The election by Sponsor to retain and the retention by Sponsor of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

Purchasers are further advised that if a Purchaser makes a Down Payment in excess of $250,000 for the purchase of a Unit, such Down Payment will not be federally insured in excess of $250,000; and (ii) while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $250,000. Funds drawn on out-of-state or foreign banks will not be accepted as payment of the Down Payment of the Purchase Price for a Unit unless otherwise agreed by Sponsor.

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

All funds received by the Sponsor for upgrades or extras will be initially placed in an escrow account. However, Purchasers should note as a special risk that such funds may be released from the escrow account by the Escrow Agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. Notwithstanding the foregoing, if Sponsor abandons the Plan, all funds received by Sponsor for upgrades or extras will be returned to Purchasers.

(See the Section entitled "Procedure to Purchase" for the further discussion of the foregoing.)

3. **No Financing Contingency**. Although a Purchaser may obtain financing from a lending institution or any other source, his or her obligation to purchase a Unit pursuant to his or her Purchase Agreement shall not be contingent on obtaining financing for such purchase.

Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to pre-qualify for financing with their lender before signing a Purchase Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. In addition, given the current economic climate, a lending institution could withdraw its commitment if, for example, it believes a Purchaser's financial condition has worsened or that the Unit's appraised value has decreased. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before the lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building or group of buildings where the Sponsor or holder of unsold Units has not sold a substantial percentage of the apartments 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 may also be difficult for a purchaser to resell an apartment if prospective Purchasers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions (See the Section entitled "Procedure to Purchase" for further details.)

To the extent permitted by applicable Law, the provisions of the Declaration and By-Laws may comply with certain requirements of Federal National Mortgage Association ("Fannie Mae") and the Federal Housing Authority ("FHA"). Sponsor, at its sole cost and expense, may file applications with Fannie Mae and FHA in order to have the Condominium added to a list of "approved" condominiums. There is no guaranty or assurance that Sponsor will complete said applications or satisfy the criteria for approvals, or in the event that either or both of the Fannie Mae and FHA requirements are satisfied, whether the Condominium will continue to satisfy such criteria. Purchasers should further be advised that if FHA approval is granted to the Condominium, no more than thirty percent (30%) of the total Units may be encumbered by FHA securitized, guaranteed or insured loans. It shall not be a basis for a Purchaser to rescind a Purchase Agreement if for any reason, Sponsor's application to either or both of Fannie Mae and FHA, is not submitted or approved. In addition, in accordance with the requirements of Fannie Mae and FHA, at least ten percent (10%) of the total operating budget for the first year of Condominium operation is required to be set aside for a capital repair and replacement reserve fund in order to fund the replacement reserves for capital expenditures and deferred maintenance (the "Reserve Contribution"), as more particularly described in the projected "Budget for First Year of Condominium Operation, Schedule B", in Part I of the Plan. There is no guarantee or assurance that the Reserve Contribution will be provided as a line item in the operating budget after the first year of Condominium operation or that Purchasers will be able to obtain mortgages insured by Fannie Mae and/or FHA. The applicable Board reserves the right, in its sole discretion (including without limitation during the Initial Control Period) to use the Reserve Contribution towards any capital expenditures it deems appropriate. The Reserve Contribution can only be used for the repair and replacement of the Common Elements. Please refer to the Section entitled "Introduction" in Part I of the Plan.

If Purchaser obtains a mortgage loan for the purchase of the Unit (the "Purchase

Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which the Purchaser may be entitled pursuant of Section 339-ee(2) of the Condominium Act, which sum shall be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require in its sole discretion a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, to cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

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

5. **Control of the Condominium**. The Condominium will have a Condominium Board, which is elected by the owners of the Units. Sponsor as the owner of Unsold Units will have voting control of the Condominium Board during the period which continues until the later to occur of: (i) the sale by the Sponsor of more than ninety-five percent (95%) of the aggregate Common Interests of the Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each percentage of Common Interests pertaining to the Unit Owner's Unit.

Sponsor and its designees may exercise veto power over some actions of the Condominium Board. Sponsor may not exercise veto power over expenses in Schedule B, or expenses required to remedy any notice of violation, or to remedy any work ordered by an insurer, or over any matter affecting the health and safety of the occupants of the Condominium. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence, for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than five percent (5%) of the Common Interest, whichever is sooner. Until Sponsor and its designees have conveyed title to ninety-five percent (95%) of the Units, but in no event later than five (5) years after the closing of the first Unit (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, including Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, Reserve Contribution 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 it 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 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 comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium (see the Section entitled "Control By Sponsor" for further details).

During the Initial Control Period, the Condominium Board shall consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Condominium Board. Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons.

The Condominium Board shall have the powers and duties necessary and incidental to the administration of the affairs of the Condominium. As more fully set forth (and except as may otherwise be provided) in the Condominium 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.

All determinations with respect to the continuance or discontinuance of any of the services in the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor for so long as the Units owned by Sponsor have appurtenant thereto more than five percent (5%) of the Common Interests of the Condominium or until five (5) years after the First Closing, whichever is later. (See the Section entitled "Control by Sponsor"). Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property. Neither Sponsor, the Managing Agent nor the Condominium Board will in any event be liable for the availability, interruption, discontinuance or quality of any services in the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or the Board, as the case may be. (For more information, see "General Provisions Concerning Services and Facilities".)

The sale or lease of Units is subject to a right of first refusal by the Condominium Board. Leases of Units, other than Unsold Units, may not be for terms shorter than one (1) year. The Condominium Board has the right to reject sales and leases to Purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit. In addition, at elections of members to the Condominium Board held after the Initial Control Period, (a) Sponsor and/or its designee shall have the right to elect two of the five members of the

Condominium Board otherwise to be elected by the Unit Owners (including Sponsor), who are family members or employees of Sponsor, such designee or other Unsold Unit Owner(s), and (b) Sponsor, such designee and all other Unit Owners shall have the right to vote for the remaining three members of the Condominium Board who shall not be family members or employees of Sponsor. (For more information, see "Control by Sponsor".)

The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. (See the Sections of this Plan entitled "Control by Sponsor" and "The Condominium Board" for further discussion.)

6. **Amendments**. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way, without the prior written consent of Sponsor or its designee or the owner of any Unsold Units, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Units, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Units, as the case may be. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board".)

7. **Power of Attorney**. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to a 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. The power of attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to any Unsold Unit. Please refer to the form of power of attorney set forth in its entirety in Part II of the Plan.

8. **Construction**. Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During at least the first year of Condominium operations, construction workers and related personnel will be at the Property from time to time making adjustments and performing various tasks related to the completion of construction. Various systems, including but not limited to the amenities, water supply, air conditioning, heating, cooling, ventilating and elevators, may require more than a year after any Unit Closing to complete. Although operable, these systems may need to be shut down temporarily from time to time. Various other adjustments, to windows and elevators and other systems and amenities, may require eighteen (18) months or more after the First Closing to complete. Sponsor may not fully complete the decoration of the Lobby or the corridors in the Building, including but not limited to installing light fixtures, hanging wall coverings or laying carpeting, until after that particular floor is fully occupied by Unit Owners. In addition, A front desk attendant will be available twenty four (24) hours a day, seven (7) days a week, in the Lobby, beginning with the First Closing, however

anticipated that all other listed services, facilities and amenities shall be provided within one (1) year of the issuance of temporary certificates of occupancy for all of the Units, which is expected to be in the year 2017, subject to the terms, conditions and provisions set forth herein. Please refer to the Section of the Plan entitled "Description of Property" in Part I of the Plan for further details.

During the period when Sponsor is completing construction of the Building, move-ins into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first temporary certificate of occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others. Purchasers should also note that even if the First Closing occurs on or before July 1, 2017 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Units or for the floor on which such Units are located. Accordingly, Purchasers may not be able to close title to their respective Unit(s) for some period of time after signing their respective Purchase Agreement and after the First Closing. In such a case, provided that the Sponsor is pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of substantial delays and will not be excused from paying the full purchase price for the Unit. **PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.**

As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable Laws and codes and Department of Buildings ("DOB") Plans and Specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability of any Unit or Common Element. Unless caused by a violation of the sound transmission code, noise code or other applicable code, there is no warranty as to sound transmission. Unless caused by a failure of Sponsor to comply with applicable code provisions and DOB Plans and Specifications, Sponsor is not responsible for, nor can it make any guarantees regarding odors, levels of noise or vibrations resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners in their Units. Unless caused by a code violation or a violation of Law, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. Sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable Laws and codes and DOB Plans and Specifications, and any conflict between (a) the disclaimers and (b) Sponsor's obligation to construct the premises in accordance with all applicable Laws and codes and DOB Plans and Specifications, shall be resolved in favor of the latter. In no event will Sponsor be liable for incidental, special or consequential damages.

Sponsor will obtain a temporary or permanent certificate of occupancy for the

Building. A permanent certificate of occupancy is required for permanent use of the Building. Temporary residential use of the Building is permitted upon the issuance of a temporary certificate of occupancy, but if a temporary certificate of occupancy, which may be extended up to a total of two years, expires prior to obtaining a permanent certificate of occupancy, occupancy of the Building will be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law, including, possibly, the eviction of residential occupants. It is important to note that a permanent certificate of occupancy cannot be obtained until the Units are completed. Sponsor makes no representation or warranty as to when after issuance of the first temporary certificate of occupancy the Department of Buildings will issue a permanent certificate of occupancy. (For more information, see "Rights and Obligations of Sponsor".)

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy covering the entire building but with only a temporary certificate of occupancy, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary and permanent certificates of occupancy are issued by the New York City Department of Buildings. A temporary certificate of occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the New York City Department of Buildings. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a temporary certificate of occupancy expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance a Unit. If a temporary certificate of occupancy expires before it is renewed or a permanent certificate of occupancy is obtained, residential occupancy of the premises will be in violation of the Multiple Dwelling Law. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a temporary certificate of occupancy rather than a final certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor and its principal(s) will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof, and ultimately for obtaining a permanent certificate of occupancy covering the entire building within two (2) years from the date of the issuance of the first temporary certificate of occupancy. However, Sponsor and its principal(s) make no representation or guarantee that the New York City Department of Buildings will issue the permanent certificate of occupancy within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the permanent certificate of occupancy for the entire building, and shall exercise best efforts to obtain the permanent certificate of occupancy within such two (2) year period while keeping the temporary certificate of occupancy current. Unit Owners and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

As a result of the unusual shape and size of the Building: the Condominium Board will need to access the units in order to replace the exterior glass panels of the Building's façade; the trash will be collected and stored on the second floor and then removal from the Building through the use of the Service Elevator; and the Service Elevator is the only elevator that can accommodate a stretcher. There may also be ongoing cracks in the ceilings and floors due to the

naturally occurring movement of the Building.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a final certificate of occupancy, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the final certificate of occupancy.

Purchasers are advised to visit the New York City Department of Buildings website for further recommendations when purchasing a unit in a building that does not have a final certificate of occupancy. A fact sheet on certificates of occupancy is available on its website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf .

Purchasers should seriously consider negotiating closing based on a permanent certificate of occupancy, not a temporary certificate of occupancy. If purchasing a Unit covered by a temporary certificate of occupancy, Purchasers should consult a licensed architect or engineer to determine what work has to be done in order for the Building to receive a permanent certificate of occupancy. Purchasers are advised to visit the Department of Buildings' website for further recommendations when purchasing a Unit that does not have a permanent certificate of occupancy. Please see the Section of the Plan entitled "Procedure to Purchase" for more information.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering the boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit in such Unsold Unit, (c) designate a Common Element as part of a newly created Unit or designate all or part of a Unit as a newly created Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

Upon Closing a Unit, the Purchaser will receive warranties for the appliances in the Unit. Except as contained on Purchaser's inspection statement Sponsor shall not be obligated to correct, repair, or replace any defects relating to construction of the Units, the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan.

The Sponsor as well as the Condominium Board may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and

delays in these services will not be the responsibility of the Sponsor unless such delays are caused by the Sponsor.

9. **Real Estate Taxes**. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Condominium payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's Common Interest. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's purchase price or on some basis other than its Common Interest, and, if so, Units having the same percentage interest may pay different amounts of real estate taxes. The real estate taxes payable the first year of the Condominium's operation is based on an assessment of the Building as complete for only a portion of the year. Once the Building is fully assessed, the real estate taxes will be higher. Please refer to the Section of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make the actual determination upon the filing of tax lots. (See the Sections entitled "Offering Prices and Related Information, Schedule A" and "Real Estate Taxes" in Part I of the Plan for further discussion.)

10. **Diplomatic Immunity**. Purchasers who have diplomatic immunity will be required to expressly waive any and all immunity from suit by the Sponsor, the Condominium Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Condominium Board an amount equal to two years' estimated Common Charges. Please see the Section of the Plan entitled "Procedure to Purchase" for more information.

11. **Common Charges**. The Contingency provided for in the projected budget for the first year of Condominium operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budgets and for increases in operating expenses above the amounts projected. Additionally, a Reserve Contribution has been established to conform to Fannie Mae requirements of an amount to be set aside as a reserve for capital repairs and replacements. These budget line items may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase Common Charges or institute a special assessment. See the Section of the Plan entitled "Working Capital Fund" for further discussion.

12. **Sponsor Obligations**. Sponsor reserves the right to sell ten (10) or more Units and to designate the purchaser of such blocks of Units as "sponsor" under this Plan and the Declaration. The party so designated as a "sponsor" will have those additional rights and obligations of a "Sponsor" as more fully described in the Plan.

No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

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

14. **Floor Plans**. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and will exceed the actual floor area. Floor area may include columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. Each Unit will be measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. Ceiling heights are estimates only. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Units and certain Units may have less clearance and all or portions of the ceilings in certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams, ducts and other and mechanical spaces in such Units. Because dimensions listed are based on measurements from floor slabs, they do not accurately represent the heights of the Units from the finished floor to the finished ceiling. Ceiling heights within any given room may also vary. Kitchens, bathrooms, closets, foyers, hallways and entryways typically have dropped ceilings. The following should be noted regarding the floors: (i) after interior walls have been installed in the Units, the floors in the units will be leveled around the wall and, therefore, if a Unit Owner removes an interior wall, the Unit Owner will be required to level the portion of the floor where the wall was located and (ii) the wood floors in the kitchen do not extend under the cabinets in the kitchen; portions of the floor under some cabinets are plywood. In addition, it should also be noted that the height of the ceiling in the model Unit located in the sales office is 6" higher than the actual height of the ceilings located in the Units. Please refer to the Notes to Schedule A in Part I of the Plan the

"Description of Property" in Part II of the Plan for further details.

15. **Windows**. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof as such Unit Owner's sole cost and expense. In addition, to promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a white colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Condominium Board. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details.

16. **Transfer Taxes**. Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax which by law are the primary obligation of the Seller. If the purchase price of the Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", currently one percent (1%) of the purchase price, which by law is the primary obligation of the Purchaser. For purposes of calculating the taxes payable, the amounts of such taxes (other than the Mansion Tax) will be included in the consideration subject to such tax. Regarding the Mansion Tax, purchase price and transfer taxes payable by Purchaser are added together by the NYS Department of Finance to arrive at total consideration. Therefore, for example, a Unit priced at $985,000, where Purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000. (See the Section entitled "Closing Costs and Adjustments" for further details).

17. **Effectiveness of Plan**. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., purchase agreements signed by bona fide purchasers for fifteen percent (15%) of the Units offered under the Plan). Sponsor may declare the Plan effective after selling a minimum of fifteen percent (15%) of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than a minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units. However, the Sponsor may decide to rent certain Units from time to time. As a consequence of the foregoing, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. It is possible that a significant proportion of Unit Owners will not be residents of the Condominium and that a significant portion of residents in the Condominium may not be Unit Owners, and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

The Sponsor anticipates that the First Closing of a Unit will occur by July 1, 2017. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than June 30, 2018, twelve months after the projected date for the First Closing. If the Plan is amended to provide for a later projected date for the First Closing, Purchaser will be entitled to an offer of rescission if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the first Unit closing occurs before July 1, 2017, the Sponsor may schedule the closing of title to other Units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See the Section of the Plan entitled "Procedure to Purchase" for more information.

18. **Closing Costs**. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to Purchaser's Unit: (i) the sum of $3,500 to reimburse Sponsor for its legal fees in handling the sale; (ii) if the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan; (iii) 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, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance, for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit if there are multiple assignments), provided, however, that in the event the Purchaser is offered and exercises a right of rescission, or the Plan is abandoned, the fee described in this subsection (iii) shall be refunded to Purchaser; (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs associated therewith; (v) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (vi) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland & Knight LLP's customary rates; (vii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (viii) Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit; and, (ix) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to Closing upon notice to Purchaser.

Purchasers or any other persons entering into an interim lease for a Unit shall be

required to pay the legal fees of Sponsor's counsel in connection therewith upon the execution of the interim lease. Such legal fees are estimated to be approximately $2,500 assuming that the Purchaser's counsel does not negotiate the terms of the interim lease. Any fees above $2,500 will be billed on an hourly basis at Holland & Knight LLP's customary rates. In connection with the Closing of a Unit subject to an interim lease, all other charges or other fees due under an interim lease shall be adjusted as of midnight of the day preceding the Closing Date to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any interim lease for any Unit. Please refer to the Sections of the Plan entitled "Closing Costs and Adjustments" and "Interim Leases" for further details.

19. **Window Guards**. In the event a child of eleven (11) years of age or less resides, or visits for an extended period of time, the Unit Owner is required to have installed (at Unit Owner's expense) child safety window guards in all windows of the Unit, as per New York City Code. The Unit Owner must notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides in the Unit. Windows may contain limit stops, which may not be removed. The Unit Owner shall maintain all window stops installed in the Unit and shall not remove same until permitted by applicable law. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further details.

20. **Easements**. The Sponsor, for so long as Sponsor owns any Unsold Units, shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building for any lawful purpose including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding restoring and replacing satellite dishes and other communication equipment on the roofs and Façade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto provided, however, that no wires or cables shall be hanging on the side of the Building and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any unit or Common Element in furtherance of such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of any assignee or licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the Roof or Façade of the Building or elsewhere on the Common Elements by Sponsor or their assignees or licensees shall be the exclusive property of Sponsor or their assignees or licensees and neither the Condominium nor any Unit Owner shall have any rights with respect thereto. Please see the section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" under the subsection entitled "Easements" for further details.

21. **Mechanical Equipment**. Cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located in the Cellar and on the 7th, 33rd and 60th through 62nd Floors and on the Roof. The Condominium Board with respect to the Common Elements will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable

levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units. See the Section of the Plan entitled "Description of Property and Improvements" for more information.

22. **Mass Damping Systems**. As a result of the Building's overall dimensions, supplemental damping systems are located at the top of the Building to mitigate the lateral movement of the Building to reduce such movement to levels acceptable in the industry. The damping system contains steel plates which are located above the roof and could make access to the roof for certain repairs difficult

23. **Resident Manager's Unit**. On the earlier of one (1) year after the First Closing or 30 days after all of the Units have been closed, Sponsor will sell one Unit, presently intended to be Unit 11A, to the Condominium, which will own such Unit on behalf of all Unit Owners and will use the same for the residence of the Resident Manager ("Resident Manager's Unit"). The purchase price for the Resident Manager's Unit, which is currently anticipated to be Unit 11A, will be $2,600,000, which is $1,769.91 per square foot. If the Sponsor sells a Unit other than Unit 11A as the Resident Manager's Unit, in no event will the purchase price be greater than $1,769.91 per square foot. In respect of such Resident Manager's Unit, at the closing of title to each Unit, the Purchaser thereof, as a closing cost, will be required to pay on behalf of the Condominium Board such Purchaser's share of the cost of the Resident Manager's Unit determined in accordance with the Common Interest the Unit purchased in proportion to the Common Interest appurtenant to all Units (other than the Resident Manager's Unit) and in the amount more particularly set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan. See "Notes to Schedule A" for more information. Each Purchaser's allocable portion of the cost of the Resident Manager's Unit will be included in the total consideration deemed to have been paid by such Purchaser in which case additional transfer taxes may be payable by Purchaser. Simultaneously with the First Closing, Sponsor will place the deed for the Resident Manager's Unit in escrow with Sponsor's counsel and the Condominium Board shall, at any time after the First Closing, have the option to purchase the Resident Manager's Unit, prior to all of the Units being sold.

ALTHOUGH THE CLOSING OF TITLE TO THE RESIDENT MANAGER'S UNIT MAY NOT OCCUR UNTIL AFTER A PURCHASER HAS CLOSED ON HIS OR HER UNIT, EACH PURCHASER OF A UNIT WILL PAY A PROPORTIONATE SHARE OF THE COST TO PURCHASE THE RESIDENT MANAGER'S UNIT AT SUCH PURCHASER'S CLOSING. The taxing authorities are likely to require that each Purchaser's allocable portion of the cost of the Resident Manager's Unit be included in the total consideration deemed to have been paid by such Purchaser to Sponsor; and, at Closing, Purchaser will pay the incremental additional transfer taxes attributable to such additional consideration.

Sponsor will convey the Resident Manager's Unit to the Condominium Board when the full purchase price therefor has been paid. Notwithstanding the foregoing, Sponsor reserves the right, at any time following the First Closing, to convey the Resident Manager's Unit to the Condominium Board notwithstanding the fact that the full purchase price therefor may not have been paid at such time, in which case the portion of the purchase price not collected as of such time will be payable by a promissory note from the Condominium Board to

Sponsor (the "RMU Note"). The RMU Note will be non-interest bearing. The principal balance of the RMU Note will be reduced each time Sponsor conveys a Unit and collects from the Purchaser of such Unit, such Purchaser's proportionate share of the cost to purchase the Resident Manager's Unit. The term of the RMU Note will expire when the full balance due under the RMU Note has been paid to Sponsor.

The Condominium Board shall pay all expenses of the Resident Manager's Unit from and after the First Closing regardless of when the closing of title to such Resident Manager's Unit occurs as aforesaid.

There is also no guarantee that the Resident Manager will be residing at the Property at the time of closing of any particular Unit although all legal requirements with respect thereto will be complied with. All costs and expenses of the Resident Manager's Unit and repairs thereto, as well as all utilities serving same, shall be expenses of the Condominium Board at all times. In addition, until such time as title to the Resident Manager's Unit has been conveyed to the Condominium Board, Sponsor may charge the Condominium Board a reasonable rental in respect of the Condominium's use thereof.

Sponsor reserves the right, in its sole discretion, to choose a different Unit other than Unit 11A to sell to the Condominium Board as the Resident Manager's Unit; provided, however that the purchase price and all costs associated with such different Unit will be the same as for the purchase of Unit 11A, that such sale shall only be made pursuant to an amendment to the Plan and that such sale shall not result in the Condominium Board incurring Common Charges which exceed by more than ten percent (10%) the costs of owning Unit 11A as set forth in Schedule B.

Prior to the sale of the RMU to the Condominium, Sponsor will lease the Resident Manager's Unit to the Board for use as the Resident Manager's residence. The rent for the Resident Manager's Unit shall consist of the Common Charges and real estate taxes payable for the Resident Manager's Unit. Sponsor does not share in any of the acquisition costs for the Resident Manager's Unit, even though the Resident Manager will service the Unsold Units. The Condominium will not be responsible for the expenses of the Resident Manager's Unit if the Resident Manager is not residing therein. See the Section of the Plan entitled "Description of Property and Improvements" for more information.

24. **Homeowners Association**. Sponsor anticipates that the Condominium will qualify as a homeowners association. Assuming 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. The budget for the first year of Condominium operation, Schedule B, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income.

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 regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996. Please refer to the Attorney's Income Tax Opinion and the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I of the Plan for further discussion.

25. **Security Systems**. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor or its designees there may be a greater number of visitors in 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 its designees nor the 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 Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or the respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. Please refer to the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "General" for further details.

26. **Parking and Storage Licenses**. The Sponsor will be selling licenses to park in the Garage and/or use of Storage Bins and Storage Closets. Subject to their availability, the Purchaser of any Unit will have the right to purchase a Parking License or a Storage Bin or Storage Closet License (collectively referred to as the "Licenses" or individually "License"). Licenses may only be owned by Unit Owners. A Unit Owner who owns a License will only be permitted to sell it to another Unit Owner or the Purchaser of a Unit. There is no certainty that when a Unit Owner sells his or her Unit there will be another Unit Owner, who may want to purchase the License if the Unit Owner's Purchaser is not interested in purchasing it, in which event the Unit Owner will have to surrender it to the Condominium Board. A temporary certificate of occupancy is not required for the sale of use rights with respect to Licenses. Purchasers may be required to consummate their purchase of use rights with respect to a License simultaneously with their Unit(s)' closing even though a temporary certificate of occupancy has not been issued (and access may not be available) for the Garage or the Storage Area, as the case may be. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

The ramp to the Garage is adjacent to a vault under the surface of 22nd Street that Con Ed utilizes for equipment. The use of the Garage ramp may be affected by the requirements of Con Ed to have access to the vault which would include the possibility that the Garage would have to temporarily close.

27. **Views**. Changes in zoning or construction of new buildings within the vicinity of the Property could affect existing views. No assurance can be given that the views currently existing (or existing when Purchaser first purchases or occupies a Unit) will continue to exist unchanged.

28. **Maintenance of Unit**. The Units will have large glass windows, which should be covered during the portions of the day when the sun is strongest in order to maintain the temperature of the Unit's rooms at comfortable levels and to conserve energy. Portions of the Units will have wood floors. Wood is a natural product and expands and contracts with weather conditions, which causes the floors appearance to change. Moreover, in order to maintain the quality of the floor, the humidity level within the Unit should be kept between 30% and 60% and the floors should not be washed with water and should be otherwise maintained according to the manufacturer's recommendations. In addition, direct ultraviolet rays could affect the color of the wood and therefore window treatments are recommended. It should be noted that there is limited access to the fan coil unit to allow for filter changes, condensate line/pan routine maintenance and valve balancing. However, if the blower assembly or coil does need to be changed, the ceiling will need to be opened up to allow for the repair.

29. **Risk of Loss**. Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an interim lease or written Purchase Agreement with Sponsor, at which time such risk to the contents of the Unit (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the 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 for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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 Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

30. **Limitations on Sale**. In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell

his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" for more information.

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

32. **Development Rights**. The Sponsor and the owner of the adjacent property are parties to a Zoning Lot Development and Easement Agreement ("ZLDA"), a copy of which is contained in Part II, as Exhibit 16. Pursuant to the ZLDA, the adjoining property owner conveyed to the Declarant the Transferable Development Rights (i.e., the Development Rights). Sponsor has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, which Sponsor may transfer to the owners of other parcels in the future. As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected. See the Section entitled "Reservation of Air and Development Rights" for more information.

33. **Alterations to Units**. All alterations to a Unit or services for a Unit Owner shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees, or other contractors or subcontractors

employed in the Units or the Building; and in all events, in compliance with the Declaration, the Condominium Bylaws, the Rules and Regulations, the overall Building standards and applicable laws. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" for more information.

34. **Custom Work**. Sponsor may agree, in its sole discretion, to perform Custom Work to a Unit (including without limitation combining or further dividing Units). Unless otherwise agreed to by Sponsor, a Purchaser shall bear the costs of the Custom Work ("Custom Work Costs"), which Custom Work Costs shall be due and payable by Purchaser to Sponsor upon the execution of the Purchase Agreement for the Unit and deposited in an escrow account with Escrow Agent in accordance with the Plan, unless otherwise agreed to by Sponsor. The Custom Work Costs may be released from the Escrow Agent's escrow account upon the Escrow Agent's receipt of written notification from Sponsor's Architect to the Escrow Agent that all or any portion of the Custom Work has been commenced in the Unit. In the event that after the release of the Custom Work Costs or any portion thereof to Sponsor (i) a Purchaser becomes entitled to rescission under the Plan or (ii) the Plan is abandoned, the Purchaser shall receive a refund of the Custom Work Costs, if any, used to perform Custom Work in the Unit. See the Section entitled "Procedure to Purchase" for more information.

35. **Sponsor Principals**. In addition to Sponsor, the individual principals of Sponsor are required by the Department of Law to execute the Certification by Sponsor and Sponsor's Principals ("Certification") set forth in Part II of the Plan, solely in connection with enforcement by the Department of Law of Article 23-A of the General Business Law (the "Martin Act"). The principals of Sponsor who have executed the Certification expressly disclaim the existence of any private right of action in connection with or arising from their execution of the Certification. As decided by a unanimous appeals court in the recent case entitled Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al., 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013), Appellate Division, First Department, individual principals of a sponsor are not personally liable for claims (as described in the case and pleadings) by individual unit owners or the Condominium Board to the extent such claims are premised solely on alleged violations of an offering plan and the certification of sponsor and principals contained in the offering plan, absent liability under another statute or under an alter-ego or other veil-piercing theory. (See the Section of the Plan entitled "Procedure to Purchase" and the Option Agreement set forth in Part II of the Plan for details.)

For information only, Bruce Eichner, a principal of the Sponsor, is also a principal of O. Park Central LLC and T. Park Central LLC, together the sponsor of the timeshare offering plan for the Manhattan Club. On July 24, 2014, the Attorney General of New York obtained a court order pursuant to Gen. Bus. Law § 354, which halts the sales of timeshare interests at the Manhattan Club, prohibits withdrawals from the hotel's operating accounts, stops the foreclosures of Manhattan Club purchasers during the pendency of the Attorney's General's investigation, and requires Mr. Eichner and other principals of O. Park Central LLC and T. Park Central LLC to testify in court regarding allegedly fraudulent sales tactics.

It should be noted that the preliminary injunctive relief set out in the order, and the Attorney General of New York's investigation are limited to the offering at the Manhattan Club. However there is a possibility that the outcome of that investigation could affect Mr.

Eichner's ability to publicly sell real estate securities in or from New York State. In such an instance, Mr. Eichner would be required to cease being the principal of the Sponsor at 45 East 22nd Street Condominium.

36. **Defense Costs**. Purchaser shall be obligated to reimburse Sponsor (whether or not Sponsor prevails in defending or enforcing Sponsor's rights) for any legal fees and disbursements incurred by Sponsor in defending or enforcing Sponsor's rights under the Purchase Agreement or, if Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in canceling the Purchase Agreement, or in otherwise enforcing Purchaser's obligations thereunder. The Purchase Agreement also provides, that, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Plan, the Purchase Agreement or the relationship created thereby. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan for further details.

37. **No Invasive Testing**. Prior to the closing of a Unit, Purchasers shall not be entitled to conduct any invasive testing in the Unit including, without limitation, making holes in the walls or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. Please refer to the Sections entitled "Terms of Sale" and "Rights and Obligations of Sponsor" in Part I of the Plan.

38. **Floor Designations**. All references in the Plan and in marketing materials to "floors" are references to their "marketing" designations and will not correspond to the designation given to the floors on the plans submitted to the New York City Department of Buildings.

39. **Occupancy of Units**. Sponsor will endeavor in good faith to sell all of the Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Units. Sponsor may unconditionally elect to rent rather than sell Units from time to time. Residents of the Condominium may be comprised of Unit Owners and tenants leasing from Sponsor or 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 portion of tenants in the Building may not be Unit Owners, and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Further, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities, and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may not gain control and management of the Condominium, until the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

40. **Sponsor's Use of the Building for Promotional Functions**. Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing (or until no

Unsold Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building. See the Section entitled "Rights and Obligations of Sponsor" for more information.

41. **Waiver of Collection of Common Charges by Sponsor**. Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan for a period of time after the First Closing (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to the Resident Manager's Unit). Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners, terminate the Waiver Period, which notice shall be disclosed in an amendment to the Plan.

If Sponsor shall exercise its right to waive collection of Common Charges as set forth above, Sponsor shall disclose such information in the post-closing amendment to the Plan and shall also set forth the anticipated length of the Waiver Period. Sponsor shall also file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. During any such Waiver Period, Sponsor will timely pay all expenses of the operation of the Condominium, including but not limited to insurance premiums and reserve fund payments required by lenders, if any. Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of Common Charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same. See the Section entitled "Control by Sponsor".

42. **Light and Air Easement.** Windows on the portion of the building facing or cantilevered over Lot 28 to the west are protected by a light and air easement. Pursuant to this easement, no future development (alteration or new construction) on Lot 28 would be permitted above the existing height of the improvements on these lots except as noted in the ZLDA. See the "Description of Property" in Part II of the Plan for more information.

43. **Time Is of the Essence**. After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which

Sponsor shall have the remedies set forth in "Procedure to Purchase" in Part I of the Plan. Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Purchase Agreement, and to cure a default within 30 days after Sponsor gives written notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Purchase Agreement and who does not cure such default within such 30-day period may not be permitted any additional time to cure such default. TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. See the Section entitled "Procedure to Purchase" for more information.

44. **Sealant**. Sponsor anticipates that there will be stone finishes used in the Units. In order to maintain the stone in good repair, Sponsor recommends that Unit Owners seal the stone with a sealant, such as 511 Impregnator by Miracle Sealants Company or a similar sealant, at least once per year, in accordance with the manufacturer's recommendations.

45. **Cellular Service**. Purchasers should note that there may not be reception for cellular phones in the Building. Sponsor may, in its sole discretion, install the technology required for one or more providers of cellular service in the Building, which installation may occur either before or after all of the Units have temporary certificates of occupancy.

46. **Provision of Services**. A front desk attendant will be available twenty four (24) hours a day, seven (7) days a week, in the Lobby, beginning with the First Closing. It is anticipated that all other listed services, facilities and amenities shall be provided within one (1) year of the issuance of temporary certificates of occupancy for all of the Units, subject to the terms, conditions and provisions set forth herein. Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until twelve months after the issuance of temporary certificates of occupancy for all of the Units. In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period.

## B. INTRODUCTION

### 1. The Offering Plan

East 22nd Street Acquisition Holdings LLC, a Delaware limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the establishment of condominium ownership of certain land consisting of approximately 7,406 square feet on the north side of 22nd Street between Broadway and Park Avenue South (the "Land"), including a building with sixty-one (61) construction floors, inclusive of roof levels and Cellar and Sub-Cellar levels (the "Building") containing 83 Units, which are referred to collectively as the "Units", 17 Licenses to park in the Garage, 41 Licenses to use Storage Bins, and 9 Licenses to use Storage Closets, which are referred to collectively as the "Licenses". The Land and the Building are collectively referred to herein as the "Property". The condominium will be known as "45 East 22nd Street Condominium" and is called the "Condominium" in this Plan. Sponsor acquired the portion of the Land comprising 41-43 East 22nd Street on July 26, 2013 and the portion of the Land comprising 45 East 22nd Street on January 31, 2014.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the 83 Units, 17 Parking Licenses, 41 Storage Bin Licenses, and 9 Storage Closet Licenses. At this time, neither the Storage Area, nor the Garage, will be offered for sale. The Units and the Garage have entrances on 22nd Street.

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains all of the material terms of the transaction and the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein in Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable fees at Sponsor's office and at the offices of the Department of Law, 120 Broadway, 23rd Floor, New York, New York. Copies of the Plan and the exhibits may also be borrowed from Sponsor upon payment of two hundred and fifty dollar ($250) deposit, which amount will be fully refunded after the earlier of (i) the prompt return of all borrowed materials in good condition within ten (10) days or (ii) the execution by the borrower of a Purchase Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective Purchaser. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions", unless otherwise indicated.

## 2. The Condominium

The Sponsor is constructing the Building on the Land, which will be subject to a certificate of occupancy. The Building will contain 61 floors above grade exclusive of roof levels, including 61 residential floors exclusive of roof, and a total of 68 floors, inclusive of roof levels and cellar and sub-cellar levels. The floors in the Building are named (from bottom to top): Subcellar, Cellar, First Floor or "Lobby", Floors 2-60 and PH61. As more particularly described herein, the Building will include (a) 83 Units on Floors 3-PH61 and (b) the Common Elements, including the Storage Area and the Garage. The Storage Area occupies a portion of the Cellar and the First Floor Mezzanine and the Garage occupies a portion of Cellar and the First Floor. The Storage Bins are located in the Cellar.

There will be available to occupants, certain first class residential services, including, but not limited to, concierge service, doorman, automatic elevators, and cable television and internet service at an additional charge, lounge, health club, golf room, private fitness studio, stroller storage, kitchen, security systems and communication facilities.

## 3. Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to his or her Unit and is entitled to the exclusive possession thereof. The owners of the Units are collectively entitled to the exclusive use of the Common Elements. He or she also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements.

Each Unit Owner is obligated to comply with the Declaration and By-Laws, Rules and Regulations, and any other requirements of the Condominium Board. The Condominium Board has the authority to manage the Condominium. The Unit Owners have the right to vote for members of the Condominium Board after the Initial Control Period.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit(s) with such lender and in such amount as he or she chooses. However, Sponsor makes no representations about whether a Purchaser will be able to finance the purchase of any Unit. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of his or her Unit in any way desired except as otherwise provided in the By-Laws and Rules and Regulations and Law, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing.

Once separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Please refer to the opinion of Holland & Knight LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Unit.

The Condominium Board does not have the right to approve or disapprove a purchaser of

a Unit. With certain exceptions (for example, Sponsor and its designee are not required to give the Condominium Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Unit will be subject to a right by the Condominium Board to acquire or lease such Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. The Condominium Board has the right to reject sales and leases to purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board – Sales and Leases of Units". Currently, there is no limit on the number of owners who may purchase for investment (rather than for personal occupancy). Accordingly, there may always be a substantial percentage of owners who are non-residents.

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

Generally, the cost of operating the Common Elements will be borne by the Unit Owners in proportion to their respective Common Interests except as otherwise provided in the projected "Budget for First Year of Condominium Operation, Schedule B" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with law.

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 Common Charges to meet Common Expenses. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board or the Condominium Board in accordance with the Condominium Act, Sections 339-(i) and (m).

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his or her Unit, as well as liability insurance with respect to occurrences in or about his or her Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" for a more complete discussion of the foregoing.

There are no limitations on who may purchase Units. Under the New York Real Property

Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale for any reason whatsoever, without the consent of the Board, any Unit Owner, or mortgagee, to refuse to approve and execute (a) a Purchase Agreement for any Unit and (b) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity; provided, however, that, in either event, Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, 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 required Down Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under law.

Current zoning permits the residential use of all Units offered for sale.

Since the existing mortgages and construction loans covering the Property will not be satisfied at or prior to the First Closing, at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents.

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

## 4. Offering of Units for Sale

Sponsor hereby offers 83 Units, 17 Parking Licenses, 41 Storage Bin Licenses, and 9 Storage Closet Licenses. The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Offering Prices and Related Information, Schedule A" and the prices for the Parking Licenses and Storage Bin and Storage Closet Licenses are listed in Schedule A-1. **THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENT AGENCY.**

The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A.

Sponsor will endeavor in good faith to sell all of the Offered Units in a reasonably timely manner; however, there is no certainty as to the period of time required to sell all of the Offered Units. However, under the terms of this Plan, Sponsor may decide to rent certain Offered Units from time to time. As a consequence of the foregoing, residents of the Condominium may be comprised of Unit Owners and tenants leasing from Sponsor or 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 portion of tenants in the Building may not be Unit Owners and a Unit Owner seeking to resell or refinance a Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. However, the Unit Owners will obtain control of the Condominium Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws). See Section of the Plan entitled "Rights and Obligations of Sponsor" for further detail.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Some restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before the lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building or group of buildings where the Sponsor or holder of unsold Units has not sold a substantial percentage of the apartments 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 may also be difficult for a purchaser to resell an apartment if prospective Purchasers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

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

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against his or her Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at his or her option, obtain, and charges for electricity consumed in his or her Unit.

The charges for electricity consumed by each Unit Owner individually will be separately metered and billed to each Unit Owner by Con Ed. Water charges and sewer rents, assessed by The City of New York, will be billed to the Unit Owner as a Common Expense. The costs and expenses of central heat and gas will be included in Common Charges; Unit Owners will be required to pay charges for electricity consumed by the fan coil HVAC Units for each Unit which provides air conditioning and heating to each Unit. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule A with respect to the bases of such estimates. See Schedule B-1 for the projected Budget for Individual Energy Costs for the First Year of Condominium Operation.

## C. CERTAIN 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 and the By-Laws:

"Adversely affect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) materially increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) materially obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

"Amenities" refers to the items described in the section of the Plan entitled "Services and Facilities."

"Board" refers to the Condominium Board.

"Building" refers to the structures and improvements including above and below grade segments, known as "45 East 22nd Street Condominium" located at 41-45 East 22nd Street, New York, New York in which the Units of the Condominiums are located.

"Building Code" refers to the New York City Building Code.

"By-Laws" refer to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

"Cellar" refers to lower level of the Building.

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

"Closing" refers to the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refer to assessments payable to the Condominium Board by the Unit Owners for the purpose of meeting Common Expenses.

"Common Elements" refer to the Land and all parts of the Building, including its foundations, and supports, other than the Units.

"Common Expenses" refer to costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

"Common Interests" refer to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners.

"Completion Date" shall be the date when the Building is substantially complete and the first Temporary Certificate of Occupancy for a Unit is issued and is anticipated to be on or about July 1, 2017.

"Condominium" refers to 45 East 22nd Street Condominium.

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

"Condominium Board" refers to the board of managers of the Condominium.

"Declarant" or "Developer" refers to East 22nd Street Acquisition Holdings LLC, a Delaware limited liability company, which is developing the Property.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"Department of Law" refers to the New York State Department of Law.

"Development Rights" or "Transferable Development Rights" refers to the excess Development Rights appurtenant to the Property after the development of the Building and any additional Development Rights that are granted to the Property in the future.

"Down Payment" refers to the initial payment under the Purchase Agreement that is due prior to the Closing.

"Escrow Agent" refers to Holland & Knight LLP.

"First Annual Meeting" refers to a meeting of Unit Owners called within thirty (30) days after the end of the Initial Control Period.

"First Closing", or words of similar import, refers to the date fee title to the first Unit is conveyed to a Purchaser pursuant to the Plan.

"Floor Plans" refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Bureau of The City of New York and filed with the City Register's Office.

"Garage Unit" refers to the Garage located in the cellar of the Building.

"GBL" refers to the New York General Business Law.

"Initial Control Period" refers to the period ending the later to occur of: (i) the Sponsor and its designees as Holders of Unsold Units owning less than five (5%) percent of the aggregate Common Interests pertaining to all Units or (ii) five (5) years after the First Closing.

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

"Law" or "Legal Requirements" means the laws, statutes, treaties, rules, codes, ordinances, and regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or 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 Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit or any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

"Lobby" refers to the Ground Floor of the Building.

"Managing Agent" refers to the managing agent or manager of the Condominium.

"Offered Units" refers to the Units being offered for sale by the Sponsor.

"Offeree" refers to (a) Purchasers who have executed and delivered Purchase Agreements for Units and are not in default thereunder, (b) Unit Owners, and (c) any other person or entity who, pursuant to law, is an offeree of the Plan.

"Parking Licenses" refers to the License contained in Exhibit 3 of the Plan.

"Parking Spaces" refer to the parking spaces that are located in the Garage.

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

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

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the construction loan mortgages given by Sponsor to acquire and construct the Property.

"Plan" or "Offering Plan" refers to this offering plan for the establishment of condominium ownership, as the same may be amended from time to time.

"Plans and Specifications" refers to the plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings of The City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

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

"Property Deed" refers to the deeds pursuant to which the Declarant acquired fee title to the Property, dated as follows: 41-43 East 22nd Street on July 26, 2013, and 45 East 22nd Street on January 31, 2014.

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

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

"Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Residents" refer to the people residing in the Building regardless of whether they are Unit Owners, renters, or other occupants of the Units.

"Schedule A" refers to "Offering Prices and Related Information, Schedule A" set forth in Part I of the Plan.

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

"Selling Agent" refers to Corcoran Sunshine Marketing Group, or any successor selling agent at the time in question.

"Service Elevator" refers to the service elevator in the Building.

"Sponsor" refers to East 22nd Street Acquisition Holdings LLC, a Delaware limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor including a purchaser of Unsold Units.

"Sponsor's Board Designees" refers to Sponsor's designees on the Condominium Board.

"Storage Area" refers to the storage rooms located in portions of the Cellar and First Floor Mezzanine of the Building.

"Storage Bin License" or "Storage Closet License" refers to the license contained in Exhibit 2 of the Plan.

"Storage Bins" refers to those storage bins located in the Cellar, which will be used for storage by Unit Owners who purchase Storage Bin Licenses.

"Storage Closets" refer to those storage closets located on the First Floor Mezzanine, which will be used for storage by Unit Owners who purchase Storage Closet Licenses.

"Time of the Essence" shall mean a failure by Purchaser to do what is required at the

time specified in the Purchase Agreement which is a material breach of the Purchase Agreement and an Event of Default.

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

"Unit" or "Condominium Unit" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence or a portion of the space in the Building, together with an appurtenant proportionate undivided interest in the Common Elements. All of such Units are collectively referred to as "Units."

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

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member or (b) any Unit for which there is a signed Purchase Agreement but for which Closing has not yet occurred.

"Waiver Period" refers to the time period during the Condominium's initial two (2) fiscal years, during which Sponsor has reserved the right for Sponsor's Board Designees to waive the collection of Common Charges from the Unit Owners for a period of time beginning from the date of the First Closing, subject to the provisions of the Plan.

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

## D. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

### 1. Construction of the Building

The Building contains Units and Common Elements.

The Building, including the individual Units therein, is a new construction project which will be completed substantially in accordance with the Plan and Specifications and all applicable zoning and building laws, regulations, codes and other government requirements. No Asbestos containing material will be present in insulating or fire-proofing material contained in the Building. Following completion of the Building, temporary certificates of occupancy for individual Units and the Building and/or a permanent certificate of occupancy for the Units and the Building will be issued by the Department of Buildings of the City of New York and copies of the Plans and Specifications for the Building will be filed with the Department of Buildings of the City of New York.

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways, and other areas of the Building which are not intended for the exclusive use of any particular Unit Owner, and work, if any, which Sponsor performs in individual Units, certain Units will be substantially completed by the Completion Date, which is anticipated to be on or about July 1, 2017, and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about the Completion Date both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building. The first Temporary Certificate of Occupancy may be issued for some but not all of the Units and Sponsor may complete construction of certain Units before others.

Sponsor has engaged Goldstein Hill and West Architects ("Sponsor's Architect") as architects for the Building, MG Engineering, P.C., as mechanical engineer for the Building and Desimone Consulting Engineers, as the structural engineer for the Building. Tutor Perini Building Corp. is the construction company responsible for the construction of the Building.

Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction thereof is timely obtained. Any or all of the foregoing shall give rise to no right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan.

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 7 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I, the Section

entitled "Changes in Prices and Units" hereof. Any Floor Plan or sketch shown to a Purchaser, including those set forth in this Plan are only an approximation of the dimensions and layout of each Unit. The actual layout of a Unit may have been altered, and no variation will affect a Purchaser's obligations under his or her Purchase Agreement or the Plan. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Purchase Agreement, by virtue of an inaccuracy or error in the Floor Plans. Square footage calculations are only approximations for the purposes of marketing the Units and may not be exact. Such square footage calculations shall not be relied upon for loan, valuation or other purposes. If exact square footage is a concern for a Purchaser, the Purchaser should have the Unit in question independently measured. Purchasers waive and disclaim any rights to rescind their Purchase Agreement and any and all other claims against Sponsor resulting from alleged discrepancies in square footage calculations.

The Building incorporates mechanical equipment necessary for the maintenance and operation of the Building and the Units. The Condominium Board, with respect to such mechanical equipment which is a Common Element will be responsible for making sure the mechanical equipment is operated in accordance with Legal Requirements, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for, nor can Sponsor make any guarantees regarding the level of noise or odors resulting from the operation of the Building or the Units.

2. **Units**

Subject to the rights of Sponsor and its designee to change the number of Units, there will be a total of 83 Units situated on the Sixth Floor through PH61 of the Building. Detailed descriptions of the Units including a finish schedule are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A for further details.

Except as otherwise agreed by the parties, the Units will be delivered to Purchasers with a primer plus one finish coat of paint. Each Purchaser will be obligated to do all other painting and decorating of his or her Unit at his or her own cost and expense.

Included in the sale of each Unit are the following: refrigerator/freezer, kitchen cabinets, gas range, automatic dishwasher, garbage disposal, washing machine and dryer and individually controlled heating and cooling units. The manufacturer, model number and specifications for the foregoing appliances and equipment are set forth in the "Description of Property." As more fully set forth under the Section entitled "Description of Property and Improvements – Construction of the Building," these fixtures, appliances and equipment are subject to change by Sponsor. Substitutions of fixtures, appliances and equipment shall be of equal or better quality than those noted in the "Description of Property" set forth in Part II of the Plan. Sponsor may negotiate to make modifications or changes in any Unit or to do special work therein to provide different or additional appliances, equipment furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Purchase Agreement.

A Unit Owner may only use his or her Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Unit Owner use his Unit for a use violative of the By Laws or the Deed Restrictions which are described in this Plan. Units cannot be leased for terms shorter than one year.

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

## 3. Common Elements

Generally, the Common Elements include, among other things, the following: (a) the Land; (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as part of any Unit), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building, (c) corridors and all fire staircases, landings and stairs which are not part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building which are not part of any Unit; (g) the water tower; (h) the emergency generator room and a storage room; (i) residential elevators (including their shafts, pits, machinery and appurtenant facilities); (j) the exterior glass surfaces of all windows; (k) the entrance and lobby, vestibule, package room, toilette, elevator lobby, security system, concierge station, service vestibule and service corridor and the mailroom on the Ground floor of the Building; (l) passages, hallways, stairs and corridors; (m) electric panels, closets, feeders and risers; (n) the service vestibule and trash chutes servicing each of the Floors; (o) all mechanical space and other rooms, areas and spaces located in the Building which are not Common Elements, or part of any Unit; (p) the residential amenities located on the Ground Floor, Mezzanine and Second through Fifth Floor and the 48$^{th}$ Floor; (q) the Storage Area and Garage as described below, and (r) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines). A detailed description of the Common Elements is set forth in the Declaration.

## 4. Storage Bins and Storage Closets

There will be approximately 41 Storage Bins located in the Cellar of the Building and 9 Storage Closets located on the First Floor Mezzanine of the Building. Sponsor will be offering the Storage Bins and Storage Closets to Purchasers and owners of Units at the offering prices listed on Schedule A-1. In the event a Purchaser purchases a Storage Bin or Storage Closet License, the Purchaser will enter into a Storage Bin or Storage Closet License Purchase Agreement with Sponsor prior to Closing on the Storage Bin or Storage Closet License and then

at Closing, the Purchaser will enter into a Storage Bin or Storage Closet License Agreement with Sponsor and the Board. The forms of each of these agreements are provided in Part II of the Plan. The Storage Bin or Storage Closet License Agreement grants to Licensee, its successors and assigns, a license for the exclusive use of a Storage Bin or Storage Closet, as applicable. The Storage Bins and Storage Closets may be used only for storage purposes, provided that no materials which pose a health or safety threat or otherwise create a nuisance may be stored therein, and further provided that Sponsor shall have the right to use any unsold Storage Bin or unsold Storage Closet for any lawful purpose or to change the permitted use of any unsold Storage Bin or unsold Storage Closet, subject, however, to the provisions of the By-Laws.

5. **Parking Licenses**

There will be approximately 17 parking spaces located in the Garage. Sponsor will be offering the Parking Spaces to Purchasers and owners of Units at the offering prices listed on Schedule A-1. In the event a Purchaser purchases a Parking License, the Purchaser will enter into a Parking License Purchase Agreement with Sponsor prior to Closing on the Parking License and then at Closing, the Purchaser will enter into a Parking License Agreement with Sponsor. The forms of each of these agreements are provided in Part II of the Plan. The Parking License Agreement grants to Licensee, its successors and assigns, a license for the exclusive use of a Parking space. The Parking Space may be used only for storage of a motor vehicle. Nothing contained in the vehicle may pose a health or safety threat or otherwise create a nuisance may be stored therein, and further provided that Sponsor shall have the right to use any unsold Parking Space for any lawful purpose or to change the permitted use of any unsold Parking Space, subject, however, to the provisions of the By-Laws. Except for Sponsor, no Unit Owner may own a Parking Space independently of a Unit. Purchasers of Parking Licenses will pay a monthly fee to the Board equal to the licensee's share of the cost of operating the Garage.

6. **Resident Manager's Unit**

On the earlier of one (1) year after the First Closing or 30 days after all of the Units have been closed, Sponsor will sell one Unit, presently intended to be Unit 11A to the Condominium, which will own such Unit on behalf of all Unit Owners and will use the same for the residence of the Resident Manager ("Resident Manager's Unit"). The purchase price for the Resident Manager's Unit, which is currently anticipated to be Unit 11A will be $2,600,000 which is $1,769.91 per square foot. If the Sponsor sells a Unit other than Unit 11A as the Resident Manager's Unit, in no event will the purchase price be greater than $1,769.91 per square foot. In respect of such Resident Manager's Unit, at the closing of title to each Unit, the Purchaser thereof, as a closing cost, will be required to pay on behalf of the Condominium Board such Purchaser's share of the cost of the Resident Manager's Unit determined in accordance with the Common Interest of the Unit purchased in proportion to the Common Interest appurtenant to all Units (other than the Resident Manager's Unit) and in the amount more particularly set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan. See "Notes to Schedule A" for more information. Each Purchaser's allocable portion of the cost of the Resident Manager's Unit will be included in the total consideration deemed to have been paid by such Purchaser in which case additional transfer taxes may be payable by Purchaser. Simultaneously with the First Closing, Sponsor will place the deed for the Resident Manager's Unit in escrow with Sponsor's counsel and the Condominium Board shall, at any time after the

First Closing, have the option to purchase the Resident Manager's Unit, prior to all of the Units being sold. There is no guaranty that the Resident Manager will be residing in the Building at the time of closing of any particular Unit although all legal requirements with respect thereto will be complied with. The Board will pay all of the same closing costs to purchase the Resident Manager's Unit as any other Purchaser would pay to purchase a Unit under this Plan. The closing costs for the Resident Manager's Unit will be paid from the initial Working Capital Fund to be established out of payments made on account thereof by Purchasers at the closings of the purchase of their Units.

Sponsor reserves the right, at any time following the first anniversary of the First Closing, to cause the Condominium Board to borrow funds sufficient to pay Sponsor the aggregate amount of the then unpaid portion of the purchase price for the Resident Manager's Unit. Any mortgage given by the Condominium Board in respect of such loan shall be secured solely by the Resident Manager's Unit and shall not constitute or cause any lien to be placed on any other Unit Owner's Unit. In such circumstances, however, the additional Common Charges necessary to pay the principal and interest under such mortgage and note shall be allocated exclusively to the Units with respect to which the pro rata share of the purchase price therefore has not theretofore been paid as of the time of such borrowing and payment to Sponsor.

In the event the Condominium Board defaults under the note and mortgage, including, but not limited to a default as a result of the Condominium Board's failure to pay the balance of the purchase money note due at maturity, the lender may foreclose on the Resident Manager's Unit and if the proceeds from the sale of such Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's Unit and, accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Condominium or within such distance of the Condominium as is then required by Legal Requirements. (See the Section of the Plan entitled "Schedule B - Budget for First Year of Condominium Operation" for further details.)

Prior to the sale of the Resident Manager's Unit to the Condominium, Sponsor will lease the Resident Manager's Unit to the Board for use as the Resident Manager's residence. The rent for the Resident Manager's Unit shall consist of the Common Charges and real estate taxes payable for the Resident Manager's Unit. Sponsor will pay the portion of the Common Charges for the Unsold Units attributable to the Resident Manager's Unit. Sponsor does not share in any of the acquisition costs for the Resident Manager's Unit, even though the Resident Manager will service the Unsold Units. The Condominium will not be responsible for the expenses of the Resident Manager's Unit if the Resident Manager is not residing therein.

(See Footnote (12) to the Section of the Plan entitled "Schedule B - Projected Budget for First Year of Condominium Operation" for more details.)

## 7. Services and Facilities

Generally, all services normally associated with the operation and maintenance of a luxury residential condominium will be provided to Unit Owners at no cost other than Common Charges; these services and facilities are described below. There will be a variety of other

services offered which will be available to Unit Owners at their option. Notwithstanding the foregoing, however, the Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

Under present plans, all of the services and facilities described herein will initially be provided and made available to Unit Owners immediately following the First Closing, except as otherwise indicated.

a. Entrance

The Units and the Garage will each have separate entrances on 22nd Street.

b. Doorman and Concierge

It is anticipated that a front desk attendant will be on duty at the Lobby of the Building twenty-four (24) hours a day, seven (7) days a week, who will be available as of the First Closing. The Lobby will also be attended doorman and concierge during certain hours.

c. Elevator Service

Two (2) automatic passenger elevators will be in service, twenty-four (24) hours a day, seven (7) days a week, for the exclusive use of Unit Owners residing in the Building. The Building will also have a Service Elevator.

d. Cable Television Service

A cable television system will be available for the use of the Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable by the Unit Owner directly to the cable company. Additional cable service (i.e., Home Box Office or Showtime) will also be available from the cable company providing the service for an additional charge on the same basis. A cable outlet will be located in each living room and bedroom. Sponsor makes no representation that cable television service will be available to any Unit Owner upon its initial occupancy of a Unit. Sponsor will enter into agreements with Time Warner Entertainment Company, L.P. ("Time Warner") and/or another local television provider, granting Time Warner and/or the local television provider the right to install wires, cables and other components of their systems (the "Cable Facilities") in the Building's internal conduit system and granting Time Warner and/or the local television provider easements for the installation, repair or replacement of the Cable Facilities and certain rights to relocate the Cable Facilities which shall remain the property of Time Warner or the local television provider (the "Cable Agreement"). The Condominium will own and maintain the internal conduit system in which the Cable Facilities are located. The Condominium will be subject to and bound by the terms of the agreements with Time Warner and/or the local television provider.

e. Electrical Systems, Telephone Service and Internet Access

Electrical service will be metered and separately billed to each Unit Owner by Con Ed. Local and long distance telephone, internet and cable service will be provided by a local

telephone service provider and separately billed to each Unit Owner. Each Unit will be prewired for telephone service. All charges for hi-speed internet service (including activation, installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the hi-speed internet service provider. Purchasers should note that there may not be reception for cellular phones in the Building. Sponsor may, in its sole discretion, install the technology required for one or more providers of cellular service in the Building, which installation may occur either before or after all of the Units have temporary certificates of occupancy.

f. Mail & Packages

All incoming mail for the Units will be delivered by the United States Postal Service, who will place it in mailboxes on the First Floor. Doormen will be available to accept packages on behalf of Unit Owners and there will also be a cold storage room for limited food deliveries or other items requiring refrigeration.

g. Laundry

Each Unit will contain a washer and dryer and there will be an additional laundry room located in the Cellar with commercial washers and dryers.

h. Refuse Disposal

There will be one refuse chute on each floor serving the Units leading directly to the trash room on the Second Floor.

i. Emergency Generator

The Condominium contains an emergency generator to provide power in the case of an electrical power failure to life safety systems including the fire alarm system, fire command center, exit signage and means of egress illumination, emergency voice communication systems and all elevators to support at least one elevator at any time.

j. Bicycle Storage

Forty five (45) spaces for bicycle storage will be provided in the Building, twenty (20) of which shall be reserved for the Unit Owners of the nine (9) full-floor Units and the Penthouse (two (2) bicycle spaces per each of those Units). The other bicycle spaces shall be provided to Unit Owners on a first-come, first-served basis, provided that no Unit Owner shall be entitled to more than one (1) bicycle space. Sponsor makes no representation or warranty as to the availability of bicycle storage for all Unit Owners.

8. **Amenities.**

The anticipated amenities include the following: library; planted rear yard accessible from the lobby; basketball hoop area; boxing training area; golf simulator; training studios; shower and steam room; gymnasium; pantry; children's room; pool table; card tables; full kitchen for parties adjacent to a great room.

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

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

A front desk attendant will be available twenty four (24) hours a day, seven (7) days a week, in the Lobby, beginning with the First Closing. It is anticipated that all other listed services, facilities and amenities shall be provided within one (1) year of the issuance of temporary certificates of occupancy for all of the Units, which is expected to be in the year 2017, subject to the terms, conditions and provisions set forth herein. In all likelihood, the nature of the services listed above, the hours during which they are provided and the rates charged for same will change from time to time, in the discretion of the Board, the Managing Agent or other party providing the service. However, all services required by law will be provided at all times. Neither Sponsor, the Managing Agent, the Selling Agent, nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any of such services, including, but not limited to, any services provided by any outside company or person, other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury or damage occurs as a result of the gross negligence or willful misconduct of Sponsor, the Managing Agent, the Selling Agent, or the Board, as the case may be.

Currently, no additional fees will be charged for the amenities, however the Board has complete discretion in determining how those amenities and facilities that are owned/controlled by the Board will be operated, maintained or modified, whether facilities should be added or discontinued, and the fees and rates to be charged for their use. No representation or warranty is made as to the continued operation or existence of any of the foregoing facilities, or the amount of the fees charged therefor.

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as a full staff of personnel) may not be available until twelve months after the issuance of temporary certificates of occupancy for all of the Units. In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period. However, it is anticipated that at all times after the First Closing, the lobby will be attended 24 hours per day, seven days per week (provided, however, that neither the doorman nor the concierge may be available for the full 24 hours a day, seven days per week), and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may be incomplete and may be disrupted temporarily and from time to time.

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors, and suppliers

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

## 10. Security Procedures

The Board is vested with the responsibility of devising and carrying out security procedures with respect to the Building. Such procedures may be adopted and from time to time changed by the Board as such Board, in its discretion, determines to be appropriate to secure the Building.

No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor or its designees there will 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 its designee nor the 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 Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided

that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or their respective agents. Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

## E. LOCATION AND AREA INFORMATION

### 1. Location and Services

The Condominium is located in Midtown Manhattan in the City of New York, on East 22nd Street between Broadway and Park Avenue South.

New York City is the largest city in the United States, as well as one of the principal urban centers of the world. Manhattan is the center of New York City, containing numerous business and financial centers, excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, superb medical centers and a vast array of Garages. New York is the nation's principal financial center. It is the home of the New York Stock Exchange. About 50 of the country's "Fortune 500" corporations have their principal corporate headquarters in Manhattan; almost a quarter of the nation's major law firms, and the "big four" accounting firms maintain offices in Manhattan. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries.

#### a. Surrounding Area

The Building is located in the midst of the Union Square-Flatiron District-Gramercy Park Area. Currently, there is a new growth of residential apartments in the area. This growth encompasses both renovations and new buildings. Some of the buildings in the area have been converted to cooperative or condominium ownership. East 22nd Street is primarily residential. The adjacent property facing 22nd Street lying to the west of the Condominium is improved by a five-story residential building and the property located to the east of the Building on East 22nd is improved by a building containing approximately ten (10) stories with retail space located on the ground floor. East 23rd Street is primarily commercial. The properties immediately adjacent to the Building on East 22nd Street are presently occupied by apartment buildings.

Madison Square, the site of the original Madison Square Garden is dominated by the Metropolitan Life Tower and the Flatiron Building (20 stories and triangular). It was once the end of "Ladies Mile", the city's most fashionable shopping district along Broadway and Sixth Avenues.

There are a wide variety of parks in the vicinity. Madison Square Park is located between East 23rd and East 26th Streets, between Madison and Fifth Avenues. In recent years, many popular stores have opened locations on Sixth Avenue. Union Square is south of the premises between 17th and 14th Streets. There is a green market in Union Square on a weekly basis. The Building will be a member of the Madison Square Park Conservancy which pays for maintenance, upkeep and repair of Madison Square Park. Such amounts are included in the Common Charges.

#### b. Shopping, Commercial and Recreational Facilities

There is a wide variety of commercial establishments located near the premises located on Fifth Avenue and on Broadway including pharmacies, groceries, banks, restaurants

and other stores. Some of the city's trendiest restaurants line Park Avenue South.

c. Schools

Numerous private schools, public schools and parochial schools are easily accessible from the Premises. The public schools in the area include P.S. 116, Mary Lindley, at 210 East 33rd Street; I.S. 104, Simon Baruch Middle School is located at 330 East 21st Street; School of the Future High School at 127 East 22nd Street; Baruch College Campus High School at 17 Lexington Avenue; Manhattan Village Academy at 43 West 22nd Street and School for the Physical City is located at 55 East 25th Street, New York, NY. Public schools for children with special needs in the area include The American Sign Language, English Dual Language High School at 225 East 23rd Street, New York, NY and P.S. 47 American Sign Language & English Lower School at 225 East 23rd Street, New York, NY. Certain public school programs require that parents apply for admission for their children.

Private schools in the area include Little Red Schoolhouse and Elisabeth Irwin High School at 272 Avenue of the Americas, Xavier High School at 30 East 16th Street, LaSalle Academy, at 22 East Second Street, Epiphany Elementary School at 234 East 22nd Street, and Friends Seminary at 222 East 16th Street (elementary and high school). Private schools in the area for children with special needs include Churchill School and Center located at 301 East 29th Street; The Child School at 317 East 33rd Street; and Brooklyn Blue Feather Elementary School at 200 Park Avenue South, 10th Floor.

SPONSOR MAKES NO REPRESENTATION AS TO WHICH PUBLIC SCHOOL OR PRIVATE SCHOOL THE CHILDREN WHO LIVE IN THE BUILDING WILL ATTEND.

d. Transportation

New York City is served by three major airports - LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and West 33rd Street and Grand Central Station, located at Lexington Avenue and 42nd Street. Transportation to and from the Building, and through, New York City is available by taxi, limousine, and private automobile. Public transportation via subways and buses is also readily available. Subway lines N, R, and W, are accessible at a stop located at 23rd Street and Broadway. Access to the Lexington Avenue line number 6 train is located at 23rd Street and Lexington Avenue. In addition, the area is serviced by the following bus lines: M1 and M103. The M5, M6, M9 and M22 also stop nearby.

e. Police, Fire, Water, Postal Service, Sanitation, Snow Removal and Road Maintenance

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The Premises is located in the Thirteenth Police Precinct with the station located at 230 East 21st Street. Fire protection is provided from the Engine Co. 16, Ladder 7 fire station located at 234 East 29th Street. Water charges for the Units will be metered and paid by Unit Owners as a Common Expense of the Condominium. The zip code for the Building will be 10010 which, as

of the date hereof, is serviced by the Madison Square Garden Station located at 199 East 23rd Street.

f. Medical Facilities

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Premises, including New York Eye and Ear Infirmary at 310 East 14th Street; Hospital for Joint Diseases at 301 East 17th Street; Beth Israel Hospital at First Avenue at 16th Street; New York University Medical Center at 560 First Avenue; and Bellevue Hospital at 462 First Avenue.

g. Religious Facilities

Local houses of worship include, but are not limited to, the following: St. Vincent de Paul (Roman Catholic), Congregation Emunath Israel, Church of the Holy Apostles (Episcopal), German Lutheran Church of St. Paul, the Guardian Angel Church (Roman Catholic), St. Peter's Episcopal Church, Eglise Evangelique Francaise de New York, St. Francis Xavier (Roman Catholic), Town and Village Synagogue, Young Israel of Fifth Avenue, Congregation Beth Israel, and Marble Collegiate Church.

SPONSOR MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE CONTINUED EXISTENCE OR LOCATION OF ANY NEIGHBORHOOD SERVICES OR AMENITIES.

2. **Zoning**

The Building is located in a C6-4M zone. The Building is constructed on Block 851, Lots 32, 34, airspace over Lot 28.

Additionally, Lots 22, 24, 26, 28, 32, 34 and 49 comprise a merged zoning lot in accordance with the provisions of Section 12-10(d) of the NYC Zoning Resolution and pursuant to the six Zoning Lot Development and Easement Agreements ("ZLDA") dated June 7, 2013, thereby permitting the transfer of development rights and protects light, air and view for certain windows of the Building from future development to the extent that the owners of the Lots have granted easements for light, air and view above horizontal planes at the elevations noted in the ZLDAs. The Lot 28 ZLDA establishes a "Cantilever Lower Limiting Plane" allowing the Building to cantilever over Lot 28 and states that the parties have entered into a "Construction and Maintenance Agreement" pertaining to the maintenance of the cantilever. The ZLDAs and the Construction and Maintenance Agreement are attached as exhibits in Part II of the Plan.

Additional permitted zoning floor area has also been obtained via an inclusionary housing bonus.

The Building is not required to comply with the Quality Housing regulations of the NYC zoning resolution (ZR28-00).

## F. OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

**SCHEDULE A**
**45 East 22nd Street Condominium**
**New York, NY**

**PURCHASE PRICES AND RELATED INFORMATION**

**PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION DECEMBER 1, 2016-NOVEMBER 30, 2017**

| (1) | (1) NO BED- | (1) NO. BATHS / | (3) APPROX UNIT SQUARE | (3) APPROX EXTERIOR SQUARE | (4) PURCHASE | (5) COMMON | (6) PROJECTED MONTHLY COMMON | (6) PROJECTED ANNUAL COMMON | (7) PROJECTED MONTHLY | (7) PROJECTED ANNUAL | (8) PROJECTED TOTAL MONTHLY CARRYING | (9) ALLOCATION OF RESIDENT MANAGERS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| UNIT | ROOMS | NO. HALF BATHS | FOOTAGE | FOOTAGE | PRICE | INTEREST | CHARGES | CHARGES | RE TAXES | RE TAXES | CHARGES | UNIT PURCHASE |
| 11A* | 2 BR | 2 | 1,415 | | $3,000,000 | 0.6745% | $0.00 | $0.00 | $2,283.59 | $27,403.14 | $2,283.59 | $0.00 |
| 14A | 0 BR | 1 | 641 | | $1,190,000 | 0.3071% | $684.22 | $8,210.65 | $1,039.62 | $12,475.48 | $1,723.84 | $8,267.60 |
| 14B | 0 BR | 1 | 568 | | $1,200,000 | 0.2721% | $606.30 | $7,275.59 | $921.23 | $11,054.71 | $1,527.53 | $7,326.05 |
| 14C | 0 BR | 1 | 558 | | $1,220,000 | 0.2673% | $595.62 | $7,147.50 | $905.01 | $10,860.09 | $1,500.63 | $7,197.07 |
| 14D | 0 BR | 1 | 637 | | $1,370,000 | 0.3051% | $679.95 | $8,159.42 | $1,033.14 | $12,397.63 | $1,713.09 | $8,216.01 |
| 15A | 2 BR | 2 | 1,708 | | $4,200,000 | 0.8222% | $1,832.19 | $21,986.31 | $2,783.88 | $33,406.55 | $4,616.07 | $22,138.79 |
| 15B | 1 BR | 1 | 1,065 | | $2,450,000 | 0.5127% | $1,142.44 | $13,709.26 | $1,735.85 | $20,830.20 | $2,878.29 | $13,804.34 |
| 16A | 2 BR | 2.5 | 1,930 | | $4,830,000 | 0.9337% | $2,080.53 | $24,966.40 | $3,161.21 | $37,934.58 | $5,241.75 | $25,139.55 |
| 16B | 1 BR | 1 | 1,074 | | $2,500,000 | 0.5196% | $1,157.77 | $13,893.22 | $1,759.14 | $21,109.71 | $2,916.91 | $13,989.57 |
| 17A | 3 BR | 3 | 2,125 | | $5,670,000 | 1.0330% | $2,301.97 | $27,623.66 | $3,497.67 | $41,972.09 | $5,799.65 | $27,815.24 |
| 17B | 1 BR | 1 | 1,091 | | $2,550,000 | 0.5304% | $1,181.86 | $14,182.31 | $1,795.75 | $21,548.96 | $2,977.61 | $14,280.67 |
| 18A | 3 BR | 3 | 2,138 | | $5,740,000 | 1.0444% | $2,327.35 | $27,928.22 | $3,536.24 | $42,434.85 | $5,863.59 | $28,121.92 |
| 18B | 1 BR | 1 | 1,087 | | $2,600,000 | 0.5310% | $1,183.27 | $14,199.24 | $1,797.89 | $21,574.69 | $2,981.16 | $14,297.72 |
| 19A | 3 BR | 3 | 2,140 | | $5,820,000 | 1.0505% | $2,340.84 | $28,090.05 | $3,556.73 | $42,680.73 | $5,897.57 | $28,284.87 |
| 19B | 1 BR | 1 | 1,115 | | $2,650,000 | 0.5473% | $1,219.64 | $14,635.70 | $1,853.15 | $22,237.86 | $3,072.80 | $14,737.21 |
| 20A | 3 BR | 3 | 2,153 | | $6,040,000 | 1.0620% | $2,366.43 | $28,397.21 | $3,595.62 | $43,147.45 | $5,962.06 | $28,594.16 |
| 20B | 1 BR | 1 | 1,121 | | $2,825,000 | 0.5529% | $1,232.13 | $14,785.54 | $1,872.13 | $22,465.53 | $3,104.26 | $14,888.09 |
| 21A | 3 BR | 3 | 2,167 | | $6,120,000 | 1.0740% | $2,393.27 | $28,719.28 | $3,636.40 | $43,636.81 | $6,029.67 | $28,918.46 |
| 21B | 1 BR | 1 | 1,128 | | $2,850,000 | 0.5591% | $1,245.78 | $14,949.40 | $1,892.87 | $22,714.50 | $3,138.65 | $15,053.08 |
| 22A | 3 BR | 3 | 2,180 | | $6,200,000 | 1.0856% | $2,419.15 | $29,029.81 | $3,675.72 | $44,108.63 | $6,094.87 | $29,231.14 |
| 22B | 1 BR | 1 | 1,134 | | $2,875,000 | 0.5647% | $1,258.40 | $15,100.83 | $1,912.05 | $22,944.58 | $3,170.45 | $15,205.56 |
| 23A | 3 BR | 3 | 2,193 | | $6,280,000 | 1.0973% | $2,445.17 | $29,341.98 | $3,715.25 | $44,582.95 | $6,160.41 | $29,545.48 |
| 23B | 1 BR | 1 | 1,140 | | $2,950,000 | 0.5704% | $1,271.08 | $15,253.01 | $1,931.32 | $23,175.82 | $3,202.40 | $15,358.80 |
| 24A | 3 BR | 3 | 2,206 | | $6,360,000 | 1.1090% | $2,471.32 | $29,655.81 | $3,754.98 | $45,059.79 | $6,226.30 | $29,861.48 |
| 24B | 1 BR | 1 | 1,146 | | $3,000,000 | 0.5761% | $1,283.83 | $15,405.96 | $1,950.68 | $23,408.21 | $3,234.51 | $15,512.61 |
| 25A | 3 BR | 3 | 2,237 | | $6,460,000 | 1.1299% | $2,517.87 | $30,214.40 | $3,825.71 | $45,908.53 | $6,343.58 | $30,423.95 |
| 26A | 2 BR | 2 | 1,929 | | $5,575,000 | 0.9789% | $2,181.39 | $26,176.67 | $3,314.46 | $39,773.50 | $5,495.85 | $26,358.22 |
| 26B | 2 BR | 2 | 1,479 | | $4,175,000 | 0.7506% | $1,672.51 | $20,070.14 | $2,541.26 | $30,495.07 | $4,213.77 | $20,209.33 |
| 27A | 2 BR | 2 | 1,942 | | $5,655,000 | 0.9901% | $2,206.35 | $26,476.22 | $3,352.39 | $40,228.65 | $5,558.74 | $28,659.85 |
| 27B | 2 BR | 2 | 1,486 | | $4,245,000 | 0.7576% | $1,688.28 | $20,259.36 | $2,565.22 | $30,782.58 | $4,253.49 | $20,399.86 |
| 28A | 2 BR | 2 | 1,955 | | $5,735,000 | 1.0014% | $2,231.45 | $26,777.43 | $3,390.53 | $40,686.31 | $5,621.98 | $26,963.14 |
| 28B | 2 BR | 2 | 1,491 | | $4,315,000 | 0.7637% | $1,701.84 | $20,422.07 | $2,585.82 | $31,029.81 | $4,287.66 | $20,563.71 |
| 29A | 2 BR | 2 | 1,968 | | $5,935,000 | 1.0127% | $2,256.69 | $27,080.28 | $3,428.87 | $41,146.47 | $5,685.56 | $27,268.10 |
| 29B | 2 BR | 2 | 1,497 | | $4,490,000 | 0.7703% | $1,716.60 | $20,599.18 | $2,608.24 | $31,298.92 | $4,324.84 | $20,742.04 |
| 30A | 2 BR | 2 | 1,981 | | $6,050,000 | 1.0261% | $2,282.07 | $27,384.79 | $3,467.43 | $41,609.14 | $5,749.49 | $27,574.71 |
| 30B | 2 BR | 2 | 1,503 | | $4,565,000 | 0.7770% | $1,731.42 | $20,777.05 | $2,630.76 | $31,569.17 | $4,362.19 | $20,921.15 |
| 31A | 2 BR | 2 | 1,994 | | $6,165,000 | 1.0356% | $2,307.58 | $27,690.94 | $3,506.19 | $42,074.31 | $5,813.77 | $27,882.99 |
| 31B | 2 BR | 2 | 1,509 | | $4,645,000 | 0.7837% | $1,746.31 | $20,955.68 | $2,653.38 | $31,840.59 | $4,399.69 | $21,101.02 |
| 32A | 2 BR | 2 | 2,006 | | $6,280,000 | 1.0485% | $2,332.07 | $27,984.79 | $3,543.40 | $42,520.79 | $5,875.46 | $28,178.87 |
| 32B | 2 BR | 2 | 1,514 | | $4,720,000 | 0.7899% | $1,760.09 | $21,121.12 | $2,674.33 | $32,091.97 | $4,434.42 | $21,267.60 |
| 33A | 2 BR | 2 | 2,018 | | $6,395,000 | 1.0576% | $2,356.68 | $28,280.16 | $3,580.80 | $42,969.59 | $5,937.48 | $28,476.29 |
| 33B | 2 BR | 2 | 1,520 | | $4,800,000 | 0.7966% | $1,775.10 | $21,301.21 | $2,697.13 | $32,365.60 | $4,472.23 | $21,448.94 |
| 34A | 2 BR | 2 | 2,030 | | $6,510,000 | 1.0687% | $2,381.42 | $28,577.05 | $3,618.39 | $43,420.69 | $5,999.81 | $28,775.25 |
| 34B | 2 BR | 2 | 1,525 | | $4,875,000 | 0.8028% | $1,789.00 | $21,467.98 | $2,718.25 | $32,618.99 | $4,507.25 | $21,616.87 |
| 35A | 2 BR | 2 | 2,042 | | $6,625,000 | 1.0799% | $2,406.29 | $28,875.46 | $3,656.18 | $43,874.11 | $6,062.46 | $29,075.73 |
| 35B | 2 BR | 2 | 1,530 | | $4,950,000 | 0.8091% | $1,802.95 | $21,635.39 | $2,739.45 | $32,873.36 | $4,542.40 | $21,785.44 |
| 36A | 2 BR | 2 | 2,053 | | $6,735,000 | 1.0955% | $2,430.10 | $29,161.20 | $3,692.36 | $44,308.26 | $6,122.45 | $29,363.44 |
| 36B | 2 BR | 2 | 1,534 | | $5,025,000 | 0.8149% | $1,815.77 | $21,789.22 | $2,758.92 | $33,107.10 | $4,574.69 | $21,940.34 |
| 37A | 2 BR | 2 | 2,064 | | $6,845,000 | 1.1013% | $2,454.03 | $29,448.32 | $3,728.71 | $44,744.53 | $6,182.74 | $29,652.56 |
| 37B | 2 BR | 2 | 1,539 | | $5,100,000 | 0.8212% | $1,829.82 | $21,957.83 | $2,760.27 | $33,363.29 | $4,610.09 | $22,110.12 |
| 38A | 2 BR | 2 | 2,074 | | $6,955,000 | 1.1115% | $2,476.88 | $29,722.52 | $3,763.43 | $45,161.15 | $6,240.31 | $29,928.66 |
| 38B | 2 BR | 2 | 1,542 | | $5,175,000 | 0.8264% | $1,841.53 | $22,098.42 | $2,798.07 | $33,576.90 | $4,639.61 | $22,251.68 |
| 40A | 3 BR | 3 | 2,614 | | $8,200,000 | 1.2995% | $2,895.68 | $34,748.13 | $4,399.77 | $52,797.20 | $7,295.44 | $34,989.13 |
| 40B | 2 BR | 2 | 2,144 | | $7,150,000 | 1.1541% | $2,571.80 | $30,861.64 | $3,907.66 | $46,891.96 | $6,479.47 | $31,075.68 |
| 41A | 3 BR | 3 | 2,427 | | $8,350,000 | 1.3122% | $2,924.10 | $35,089.16 | $4,442.95 | $53,315.36 | $7,367.04 | $35,332.52 |
| 42A | 3 BR | 3 | 2,433 | | $8,500,000 | 1.3212% | $2,944.18 | $35,330.19 | $4,473.47 | $53,681.59 | $7,417.65 | $35,575.22 |
| 42B | 2 BR | 2 | 2,154 | | $7,275,000 | 1.1697% | $2,606.56 | $31,278.76 | $3,960.48 | $47,525.75 | $6,567.04 | $31,495.70 |
| 43A | 3 BR | 3 | 2,445 | | $8,650,000 | 1.3336% | $2,971.62 | $35,659.49 | $4,515.16 | $54,181.93 | $7,486.78 | $35,906.80 |
| 44A | 3 BR | 3 | 2,451 | | $8,800,000 | 1.3368% | $2,978.92 | $35,746.99 | $4,526.24 | $54,314.89 | $7,505.16 | $35,994.92 |
| 44B | 2 BR | 2 | 2,162 | | $7,400,000 | 1.1843% | $2,639.09 | $31,669.12 | $4,009.91 | $48,118.87 | $6,649.00 | $31,888.76 |
| 45A | 3 BR | 3 | 2,462 | | $8,975,000 | 1.3545% | $3,018.31 | $36,219.66 | $4,586.09 | $55,033.08 | $7,604.39 | $36,470.86 |
| 46A | 3 BR | 3 | 2,467 | | $9,125,000 | 1.3631% | $3,037.47 | $36,449.66 | $4,615.21 | $55,382.53 | $7,652.68 | $36,702.45 |
| 46B | 2 BR | 2 | 2,164 | | $7,525,000 | 1.1957% | $2,664.41 | $31,972.86 | $4,048.37 | $48,580.38 | $6,712.77 | $32,194.61 |
| 47A | 3 BR | 3 | 2,478 | | $9,275,000 | 1.3751% | $3,064.11 | $36,769.31 | $4,655.69 | $55,868.23 | $7,719.80 | $37,024.33 |
| 48A | 3 BR | 3 | 2,482 | | $9,425,000 | 1.3832% | $3,082.17 | $36,986.05 | $4,683.13 | $56,197.55 | $7,765.30 | $37,242.57 |
| 48B | 2 BR | 2 | 2,169 | | $7,650,000 | 1.2087% | $2,693.48 | $32,321.82 | $4,092.55 | $48,110.59 | $6,786.03 | $32,545.99 |
| 49A | 3 BR | 3 | 2,492 | | $9,575,000 | 1.3947% | $3,107.76 | $37,293.09 | $4,722.01 | $56,664.07 | $7,829.76 | $37,551.74 |
| 50A | 3 BR | 3 | 2,496 | | $9,725,000 | 1.4028% | $3,125.94 | $37,511.23 | $4,749.63 | $56,995.52 | $7,875.56 | $37,771.39 |
| 50B | 2 BR | 2 | 2,173 | | $7,775,000 | 1.2213% | $2,721.42 | $32,657.01 | $4,134.99 | $49,619.89 | $6,856.41 | $32,883.50 |
| 51A | 3 BR | 3 | 2,505 | | $9,875,000 | 1.4138% | $3,150.44 | $37,805.33 | $4,786.87 | $57,442.38 | $7,937.31 | $38,067.53 |
| 52A | 3 BR | 3 | 2,509 | | $10,025,000 | 1.4220% | $3,168.73 | $38,024.80 | $4,814.65 | $57,775.85 | $7,983.39 | $38,288.52 |

SCHEDULE A
45 East 22nd Street Condominium
New York, NY

PURCHASE PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION DECEMBER 1, 2016-NOVEMBER 30, 2017

| (1) UNIT | (1) NO BED-ROOMS | (1) NO. BATHS / NO. HALF BATHS | (3) APPROX UNIT SQUARE FOOTAGE | (3) APPROX EXTERIOR SQUARE FOOTAGE | (4) PURCHASE PRICE | (5) COMMON INTEREST | (6) PROJECTED MONTHLY COMMON CHARGES | (6) PROJECTED ANNUAL COMMON CHARGES | (7) PROJECTED MONTHLY RE TAXES | (7) PROJECTED ANNUAL RE TAXES | (8) PROJECTED TOTAL MONTHLY CARRYING CHARGES | (9) ALLOCATION OF RESIDENT MANAGERS UNIT PURCHASE |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 52B | 2 BR | 2 | 2,175 | | $7,900,000 | 1.2327% | $2,746.91 | $32,962.91 | $4,173.72 | $50,084.68 | $6,920.63 | $33,191.52 |
| 53A | 3 BR | 3 | 2,517 | | $10,175,000 | 1.4325% | $3,192.14 | $38,305.65 | $4,850.21 | $58,202.58 | $8,042.35 | $38,571.32 |
| 55A | 4 BR | 4.5 | 4,651 | | $18,900,000 | 2.6581% | $5,923.12 | $71,077.44 | $8,999.74 | $107,996.86 | $14,922.86 | $71,570.39 |
| 56A | 4 BR | 4.5 | 4,655 | | $20,150,000 | 2.6714% | $5,952.81 | $71,433.75 | $9,044.85 | $108,538.25 | $14,997.67 | $71,929.17 |
| 57A | 4 BR | 4.5 | 4,658 | | $20,400,000 | 2.6842% | $5,981.26 | $71,775.15 | $9,088.08 | $109,056.99 | $15,069.35 | $72,272.95 |
| 58A | 4 BR | 4.5 | 4,660 | | $20,650,000 | 2.6964% | $6,008.46 | $72,101.47 | $9,129.40 | $109,552.80 | $15,137.86 | $72,601.53 |
| 59A | 4 BR | 4.5 | 4,662 | | $20,900,000 | 2.7086% | $6,035.67 | $72,428.04 | $9,170.75 | $110,049.00 | $15,206.42 | $72,930.36 |
| 60A | 4 BR | 4.5 | 4,664 | | $21,500,000 | 2.7208% | $6,062.91 | $72,754.86 | $9,212.13 | $110,545.59 | $15,275.04 | $73,259.45 |
| 61A | 4 BR | 4.5 | 4,664 | | $21,750,000 | 2.7319% | $6,087.55 | $73,050.61 | $9,249.58 | $110,994.96 | $15,337.13 | $73,557.26 |
| 62A | 4 BR | 4.5 | 4,663 | | $22,000,000 | 2.7423% | $6,110.89 | $73,330.64 | $9,285.04 | $111,420.44 | $15,395.92 | $73,839.22 |
| 63A | 4 BR | 4.5 | 4,663 | | $22,500,000 | 2.7534% | $6,135.53 | $73,626.33 | $9,322.48 | $111,869.71 | $15,458.00 | $74,136.96 |
| PH | 2 BR | 2 | 9,322 | | $50,000,000 | 5.5266% | $12,315.05 | $147,780.62 | $18,711.80 | $224,541.63 | $31,026.85 | $148,805.55 |
| RESIDENTIAL TOTAL | | 198 | 184,803 | 0 | $662,590,000 | 100.0000% | $221,331.08 | $2,655,973.00 | $338,579.67 | $4,062,956.00 | $559,910.75 | $2,674,393.50 |
| GRAND TOTAL | | | 184,803 | 0 | $662,590,000 | 100.0000% | $221,331.08 | $2,655,973.00 | $338,579.67 | $4,062,956.00 | $559,910.75 | $2,674,393.50 |

*Resident Managers Unit

SCHEDULE A
45 East 22nd Street Condominium
New York, NY

PURCHASE PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION DECEMBER 1, 2016-NOVEMBER 30, 2017

| PARKING UNIT | SIZE (SF) | FEE |
|---|---|---|
| 1 | 165 | $225,000 |
| 2 | 165 | $225,000 |
| 3 | 165 | $225,000 |
| 4 | 165 | $225,000 |
| 5 | 165 | $225,000 |
| 6 | 165 | $225,000 |
| 7 | 165 | $225,000 |
| 8 | 165 | $225,000 |
| 9 | 165 | $225,000 |
| 10 | 165 | $225,000 |
| 11 | 165 | $225,000 |
| 12 | 165 | $225,000 |
| 13 | 165 | $225,000 |
| 14 | 165 | $225,000 |
| 15 | 165 | $225,000 |
| 16 | 165 | $225,000 |

**SCHEDULE A**
**45 East 22nd Street Condominium**
**New York, NY**

**PURCHASE PRICES AND RELATED INFORMATION**

**PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION DECEMBER 1, 2016-NOVEMBER 30, 2**

| STORAGE UNITS | SIZE (SF) | LICENSE FEE |
|---|---|---|
| SU1 | 21 | $42,000 |
| SU2 | 17 | $34,000 |
| SU3 | 17 | $34,000 |
| SU4 | 17 | $34,000 |
| SU5 | 20 | $40,000 |
| SU6 | 36 | $72,000 |
| SU7 | 16 | $32,000 |
| SU8 | 16 | $32,000 |
| SU9 | 16 | $32,000 |
| SU10 | 16 | $32,000 |
| SU11 | 16 | $32,000 |
| SU12 | 37 | $74,000 |
| SU13 | 21 | $42,000 |
| SU14 | 16 | $32,000 |
| SU15 | 16 | $32,000 |
| SU16 | 40 | $80,000 |
| SU17 | 17 | $34,000 |
| SU18 | 17 | $34,000 |
| SU19 | 17 | $34,000 |
| SU20 | 16 | $32,000 |
| SU21 | 16 | $32,000 |
| SU22 | 16 | $32,000 |
| SU23 | 16 | $32,000 |
| SU24 | 16 | $32,000 |
| SU25 | 16 | $32,000 |
| SU26 | 32 | $64,000 |
| SU27 | 32 | $64,000 |
| SU28 | 32 | $64,000 |
| SU29 | 20 | $40,000 |
| SU30 | 19 | $38,000 |
| SU31 | 16 | $32,000 |
| SU32 | 14 | $28,000 |
| SU33 | 14 | $28,000 |
| SU34 | 19 | $38,000 |
| SU35 | 16 | $32,000 |
| SU36 | 16 | $32,000 |
| SU37 | 30 | $60,000 |
| SU38 | 30 | $60,000 |
| SU39 | 46 | $92,000 |
| SU40 | 19 | $38,000 |
| SU41 | 19 | $38,000 |

**Mezzanine Storage**

| STORAGE UNITS | SIZE (SF) | LICENSE FEE |
|---|---|---|

| | | |
|---|---|---|
| SU1 | 46 | $101,200 |
| SU2 | 41 | $90,200 |
| SU3 | 41 | $90,200 |
| SU4 | 36 | $79,200 |
| SU5 | 44 | $96,800 |
| SU6 | 39 | $85,800 |
| SU7 | 35 | $77,000 |
| SU8 | 35 | $77,000 |
| SU9 | 34 | $74,800 |

## NOTES TO SCHEDULE A

1. Amounts are projected on the assumption that the first year of operation will be during the year from July 1, 2017 to June 30, 2018. The actual first year of Condominium operation may begin earlier or later than that year and is currently projected to commence on or about July 1, 2017. Plans depicting layouts of Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate, within reasonable tolerances. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

   The number of bedrooms and bathrooms for each Unit was determined by Sponsor's architect in accordance with industry practice for condominiums and does not necessarily conform to the zoning room count or the method used by the Real Estate Board of New York. The approximate floor area of each Unit, exclusive of floors 55-66, has been measured horizontally, on each floor, from the exterior side of the exterior Building walls (curtain wall), the Building Line or Property Line to the midpoint of an interior partition separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element or to the common side of a continuous structural element separating one Unit from public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. The approximate floor area of each Residential Unit on floors 55-66, has been measured horizontally, on each of one or more floors, from the exterior side of the curtain wall to the exterior side of the curtain wall. Columns and mechanical pipes and shafts, or any other common element (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

   Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. However, any material change will be set forth in an amendment to the Plan, and no material change (for example, a reduction in square footage in excess of 5%) will be made in the size, configuration, or layout of a Unit for which a Purchase Agreement has been executed unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will offer the materially adversely affected Purchaser(s) the right, for at least 15 days, to rescind their Purchase Agreements and receive a refund of their Down Payment(s), together with all interest earned thereon. There is a rebuttable presumption that an area that is diminished by 5% or less is not material.

2. Sponsor has reserved the right to change the purchase prices (as well as other terms of

sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. The purchase prices and other terms of the Agreements may be subject to negotiation with Sponsor. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction (see the section of the Plan entitled "Changes in Prices and Units"). In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute two months' Common Charges to the Working Capital Fund of the Condominium, which can only be used for initial closing costs incurred by the Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

3. The respective Percentage Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(l)(iv) of the New York Condominium Act, is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. In the event that Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Units and such change involves the inclusion, in the Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Units, the Common Elements of all of the Units may change slightly. Any such change in the Common Elements prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any purchaser. The percent interest of each Unit in the Common Elements is apportioned in the same proportion that the Unit bears to the aggregate Common Interests of all Units.

4. The estimates contained in this schedule were computed by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be during the year from July 1, 2017 to June 30, 2018, and are based on such Condominium Budget Expert's estimate of the receipts and expenses of the Condominium for the projected year. The actual first year of Condominium operation may be earlier or later than such year and is currently anticipated to commence on July 1, 2017. 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. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

5. The estimated monthly Common Charges for each Unit are based on the projected "Budget for First Year of Condominium Operation, Schedule B" prepared by Sponsor's

Condominium Budget Expert. The estimated monthly Common Charges include the cost of central heating for the Units. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes for such Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately submetered and payable by the Unit Owner to the Board, the insurance which must be carried by each Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws. In addition, capital repairs, additions, improvements, alterations and restorations to Building are Common Expenses which will be borne solely by the Unit Owners. The first year of operation may include a portion of the year in which the Buildings are not fully occupied or all services are not provided. Accordingly, the first year of operation may not be indicative of subsequent years.

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

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

(ii) the cost of electricity supplied to the Unit, which will be separately metered or submetered and payable as and when billed (See Schedule B-1 in Part I of this Plan for projections of such costs);

(iii) the cost of interior repairs, compliance with Legal Requirements and maintenance, painting and decoration in, to or of, the Unit, including, without limitation, the equipment and appliances contained in the same;

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

(v) telephone, internet access and cable and satellite television charges; and

(vi) real estate taxes (see footnote 7 below).

6. It is estimated that the aggregate real estate taxes attributable to all Unit Owners for the first year of Condominium operation will total approximately $4,387,955, based on an opinion prepared by Marcus & Pollack LLP, 708 Third Avenue, New York, New York 10017 dated September 3, 2014 which assumes (a) an estimated taxable assessed valuation attributable to the Property of $34,134,230 for the 2017/2018 fiscal year, and (b) a projected tax rate of 12.855%.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF

THE PROPERTY WILL BE AS PROJECTED OR THAT THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Unit has been determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the projected sales price of each Unit as set forth in the most recent amendment to the Plan by the total aggregate projected sales price of all Units. Please refer to the Section of the Plan entitled "Real Estate Taxes" and the opinions of Holland & Knight LLP and Marcus & Pollack LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Prior to the issuance of separate tax lots, the real estate tax estimates for each Unit will be determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's percentage interest in the Common Elements rather than purchase price, or some combination of the two, and if so, Units having the same percentage interest may pay different real estate taxes.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) that the New York City tax assessor will allocate individual Unit assessments on the basis of each Unit's percentage interest in the Common Elements; (ii) that the taxable assessed value of Property during the fiscal tax year 2017/2018 will be $34,134,230.00; or (iii) that the tax rate will be 12.855% per $100 of assessed value.

See the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and the Tax Opinion of Holland & Knight LLP in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Unit.

7. Share of Unit 11A: The purchase price for the Resident Manager's Unit, Unit 11A, is $2,600,000, which is $1,769.91 per square foot. If the Sponsor sells a Unit other than Unit 11A as the Resident Manager's Unit, in no event will the purchase price be greater than $1,769.91 per square foot. At the closing of title to each Unit, the Purchaser thereof, as a closing cost, will be required to pay on behalf of the Condominium Board such Purchaser's share of the cost of the Resident Manager's Unit determined in accordance with the Common Interest of the Unit purchased in proportion to the Common Interest appurtenant to all Units (other than the Resident Manager's Unit) and in the amount more particularly set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan.

## G. BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION, SCHEDULE B

**SCHEDULE "B"**
**45 East 22nd Street Condominium**
**Projected Budget for the First Full Year of Condominium Operation**
**July 1, 2017-June 30, 2018**

**PROJECTED INCOME:**

| | |
|---|---|
| Common Charges (1)..... | $2,654,313 |
| Parking License Fees (2) ..... | $ 50,869 |
| TOTAL PROJECTED INCOME..... | $2,705,182 |

**PROJECTED EXPENSES:**

| | |
|---|---|
| Salary, Wages, Payroll Taxes & Benefits (3)..... | $1,006,574 |
| Heat and Hot Water (4)..... | $ 209,601 |
| Cooking Gas (5)..... | $ 17,885 |
| Electricity (6)..... | $ 414,676 |
| Water & Sewer (7)..... | $ 150,543 |
| Repairs & Maintenance (8)..... | $ 20,000 |
| Services & Supplies (9)..... | $ 374,000 |
| Insurance (10)..... | $ 128,250 |
| Management Fee (11)..... | $ 60,000 |
| Legal & Auditing Fees (12)..... | $ 10,000 |
| Resident Manager Unit Cost (13)..... | $ 25,000 |
| Administration (14)..... | $ 20,000 |
| Reserve Fund (15)..... | $ 243,653 |
| Contingency (16)..... | $ 25,000 |
| TOTAL PROJECTED EXPENSES (17)..... | $2,705,182 |

The accompanying notes are an integral part of this Schedule B and should be read in conjunction herewith

## NOTES TO SCHEDULE B

## Notes to Schedule B

### (1) COMMON CHARGES - (Budget-$2,654,313)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing July 1, 2017. The actual first year of operation may be earlier or later.

In the event the projected commencement date of the first year of Condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the plan.

If the Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections.

### (2) PARKING LICENSE FEES – (Budget-$50,869)

There will be 17 Parking Licensees that will share in the costs associated with operating the parking facility. The expenses attributable to the parking area will include the Park Plus service maintenance agreement for $32,000 per year as well as heat, and electricity for lights, ventilation and energy for the garage elevator as determined by MG Engineering in a letter dated August 15, 2014 which are $2,325 and $16,544 respectively. The anticipated cost for the first year of condominium operation for the 17 parking licenses will be $50,869.

### (3) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $1,006,574)

The budgeted amount includes base wages, worker's compensation and disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected building staff of a Resident Manager, 1 handyman, 24 hour per day, 7 days per week concierge, 16 hour per day seven day per week doorman, and 4 porters. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that such employees will be non-union members.

| Position | Base Wage Rate |
|---|---|
| (1) Resident Manager | $110,000 per annum |
| (1) Handyman | $25 per hour |
| (11) 4.2 Concierge/2.8 Doormen/4 Porters | $23.12 per hour |

The projections allow for 28 sick days, holidays and vacation pay and miscellaneous payroll expenses.

| | |
|---|---|
| Total Base Wages | $744,139 |
| FICA @ 7.65% of Base Wages | $ 56,927 |

| | |
|---|---|
| Worker's Compensation @ 5.5% of total wages | $ 40,928 |
| FUI and FUTA-NYS Unemployment, @ $600 per employee | $ 7,800 |
| NYS Disability @ $60 per employee | $ 780 |
| (Health) @ $12,000 per full time employee | $156,000 |
| Total Benefits | $262,435 |
| **TOTAL WAGES TAXES & BENEFITS** | $1,006,574 |

**(4) HEAT & HOT WATER - (Budget - $209,601)**

The budgeted amount is based upon a letter from MG Engineering D.P.C. located at 116 West 32nd Street, New York, NY 10001 sponsor's consulting engineers, dated August 15, 2014. It is anticipated that the annual consumption of gas for heat and hot water for the residential units and storage units will be approximately 129,953 therms at $1.45 per therm for a total cost of $188,432. MG Engineering determined in a letter dated August 15, 2014 that the parking facility's cost to heat that space will be $2,114. A 10% inflation factor has been added.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of gas for heat and hot water during the first year of Condominium operation, because such cost will vary with the level of consumption and the price of gas. Consumption will be affected by the severity of the weather and by any conservation measures adopted by the Condominium Board or individual unit owners.

**(5) COOKING AND DRYER GAS- (Budget-$17,885)**

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated August 15, 2014 from MG Engineering D.P.C., it is estimated that the gas cost for apartment cooking and laundry dryers based on 11,213 therms at $1.45 per therm, will be $16,259. A 10% inflation factor has been added.

**(6) ELECTRICITY - (Budget -$414,676)**

The electricity consumption for the first year of Condominium operation for the Common Areas was estimated by MG Engineering D.P.C. in a letter dated August 15, 2014, at 1,723,638 kilowatt hours of electricity, at an average rate of $.21 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $361,964. This is based on common area loads being supplied through a single house meter at Con Edison rate SC9-1. Costs are calculated based on current effective rates and will vary month to month based on fuel adjustment and surcharge.

This estimate includes costs for the common area air conditioning units, amenity facilities, distribution pumps, miscellaneous floor loads, elevators, and lighting. Electricity costs can vary depending upon consumption and demand factors. MG Engineering determined in a letter dated August 15, 2014 that the parking facility will utilize $15,014 to light, ventilate and provide energy for the garage elevator. A 10% inflation factor has been added. The Parking Licensees will pay for the electricity costs associated with the Parking Area.

**(7) WATER & SEWER – (Budget - $150,543)**

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from MG Engineering D.P.C. dated August 15, 2014, water and sewer charges are based upon a combined charge of $9.27 per 100 Cu. Ft. and estimated consumption of 13,273 C.C.F. for a total cost of $127,155. The cost for the cooling tower makeup water is estimated at $9,702.

The total cost of water and sewer for the first year of Condominium operation is expected to be $136,857. A 10% inflation factor has been added.

**(8) REPAIRS & MAINTENANCE – (Budget - $20,000)**

Since the Building will be newly constructed it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common Elements will be borne by all Unit Owners.

The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto.

**(9) SERVICE & SUPPLIES - (Budget - $374,000)**

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the Common Elements, as well as the anticipated cost of service contracts during the first year of Condominium operation.

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system.

While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the Condominium will enter into maintenance agreements for the following service:

| | |
|---|---|
| Luxury Attache on Site | $150,000 |
| Heating and Cooling System | $ 20,000 |
| Elevator Maintenance | $ 40,000 |
| Sprinkler System/ Fire Protective Alarm System | $ 10,000 |
| Exterminator | $ 8,000 |
| Uniform Cleaning & Maintenance | $ 12,000 |
| Water Treatment | $ 8,000 |
| Miscellaneous Supplies | $ 40,000 |
| Building Maintenance System | $ 15,000 |
| Landscaping/Flowers | $ 15,000 |
| Security System | $ 24,000 |

| | |
|---|---|
| Park Plus | $ 32,000 |

The Parking Licensees will solely pay the cost of the Park Plus service maintenance agreement.

**(10 INSURANCE – (Budget - $128,250)**

Based upon the proposal dated November 26, 2013, from The Rampart Group having an office address at 1983 Marcus Avenue, Lake Success NY 11042 the following insurance coverage will be obtained for the Building for the first year of Condominium operation:

A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, with the following General Coverage and Limits:

**Property Policy**

| | |
|---|---|
| $78,600,000 | Building All Risk "Special" Form, Agreed Amount on Building, No Co-insurance, Replacement Cost, $10,000 Deductible on Building and Personal Property |
| $ 1,500,000 | Business Income Limit |
| $ 100,000 | Personal Property Limit |
| Included | Boiler & Machinery |

**General Liability Policy**

| | |
|---|---|
| $1,000,000 | Per Occurrence |
| $2,000,000 | General Aggregate |
| $1,000,000 | Personal & Advertising Injury |
| $1,000,000 | Fire Legal Liability |
| $1,000,000 | Employee Benefits Liability-$1,000 deductible |
| $5,000 | Medical Payments |
| $1,000,000 | Non owned automobile/Hired car |
| $1,000,000 | Directors & Officers Liability/Annual aggregate - $2,500 Retention |
| $1,500,000 | Employee Dishonesty Policy –deductible $5,000 |

**Umbrella Liability**

| | |
|---|---|
| $75,000,000 | Per Occurrence/Aggregate |

The annual premium for the above mentioned insurance policy is estimated to be $128,250.

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 and Permitted Mortgagees; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Each individual Unit Owner should consider the desirability of obtaining additional insurance at his own cost for the following coverage, which is not included in the above coverage:

- fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and

- liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

**(11) MANAGEMENT FEE - (Budget - $60,000)**

At or prior to the First Closing, the Condominium will enter into a management agreement with Halstead Management LLC having an office address at 770 Lexington Avenue, New York, NY 10065, a real estate management firm. The agreement will be for an initial term of 2 years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice by agent to principal and thirty (30) days prior written notice in writing to agent.

The Managing Agent will receive an annual fee of $60,000 payable in equal monthly installment of $5,000. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

See the section of the plan entitled "Management Agreements" for further details.

**(12) LEGAL & AUDIT FEES – (Budget - $10,000)**

The Condominium will engage a law firm to act as the attorney for the Condominium. The estimated cost for these services for the Condominium's first year is $4,000. It is anticipated that the Condominium will enter into an agreement with Bass & Lemer LLP, located at 836 Hempstead Avenue, West Hempstead, NY 11552 to provide tax returns and audited financial statement preparation services for the Condominium. It is estimated that the first year cost for these services will be $6,000.

**(13) RESIDENT MANAGER UNIT COST – (Budget - $25,000)**

Residential Unit 11A shall be designated as the Resident Manager's Unit and will be occupied by the Resident Manager and owned by the Condominium.

The Condominium will be responsible for the real estate taxes on the Unit. The estimated real estate taxes for the first year of operation for Unit 11A will be approximately $20,000.

In addition, the Condominium will be responsible for the cost of the electricity, basic telephone and minor repairs for the Resident Manager's Unit. This cost is anticipated to be $5,000 for the First Year of Condominium operation. The estimated cost for the Resident Manager's Unit for the Condominium's first year of operation is $25,000.

**(14) ADMINISTRATION – (Budget - $20,000)**

The budgeted amount includes anticipated expenses for telephone, cell phones, postage, printing, miscellaneous office supplies, payroll processing costs, permits and fees, and local telephone and internet usage in the Resident Manager's office. This figure was determined by our experience in managing buildings of similar type.

**(15) RESERVE FUND – (Budget - $243,653)**

The reserve fund will be used towards future capital repairs, replacements and improvements of certain common elements and facilities of the building. No representation is made as to the actual or anticipated cost or timing or nature of any such capital work or adequacy of any such reserve.

**(16) CONTINGENCY – (Budget - $25,000)**

This item is included in the budget to provide funds for unforeseen increases in Residential Common Expenses and General Common Expenses before or after the First Closing or to cover expenses not included in this budget.

**(17) TOTAL PROJECTED EXPENSES – (Budget -$2,705,182)**

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from July 1, 2017 through June 30, 2018.

IN THE OPINION OF PENMARK MANAGEMENT LLC, HAVING AN OFFICE AT 770 LEXINGTON AVENUE, NEW YORK, NEW YORK 10065. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

## H. BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1

MGEngineering D.P.C. / we engineer success

October 31, 2013

Mr. Seth Goldman
**THE CONTINUUM COMPANY, LLC**
30 West 21st Street, 11th Street
New York, NY

**Via Email: sethg@continuumllc.net**

Re: 41 East 22nd Street
New York, NY
"Estimated Energy and Utility Costs"
**Project No. 6272.01**

Dear Mr. Goldman:

We offer the following preliminary energy and utilities cost estimates for the residential occupancy at 41 East 22nd Street.

| | |
|---|---|
| **WATER AND SEWER CHARGES** | **$120,392** |
| 1. Water Charge | $46,484 |
| 2. Sewer Charge | $73,908 |
| 3. Cooling Tower makeup water Charge | $8,889 |

4. The above estimates are based on the following:

   a. Building population: 281
   b. Estimated usage 100 gallons per person per day
   c. Water costs are computed at $3.39 per 100 cubic feet
   d. Sewer costs are computed at $5.39 per 100 cubic feet

| | |
|---|---|
| **COMMON GAS CHARGES** | **$166,222** |
| 5. Space Heating Charge | $128,134 |
| 6. Domestic Hot water Charge | $24,701 |
| 7. Cooking Charge | $11,363 |
| 8. Cellar Dryer Charge | $2,022 |



MG Engineering D.P.C. 116 West 32nd Street New York, NY 10001 p 212.643.9055 f 212.643.0503 www.mgedpc.net



October 31, 2013
Mr. Seth Goldman
Project No.: 6272.01
Page 2

| | |
|---|---|
| **TOTAL COMMON ELECTRIC CHARGES** | **$358,766** |
| 1. Plumbing Equipment | $26,481 |
| a. Duplex DHW | $686 |
| b. Duplex DCW | $1,372 |
| c. House Tank Fill Pumps | $10,669 |
| d. Sewage Ejector | $ 343 |
| e. HWAT | $8,539 |
| f. Gas Booster | $6,862 |
| 2. HVAC Equipment | $289,648 |
| a. OAU-1 Unit Supply Fan | $13,723 |
| b. OAU-1 Unit Exhaust Fan | $8,234 |
| c. OAU-2 Unit Supply Fan | $6,862 |
| d. OAU-2 Unit Exhaust Fan | $8,234 |
| e. OAU-3 Unit Supply Fan | $4,117 |
| f. OAU-3 Unit Exhaust Fan | $2,745 |
| g. Kitchen Exhaust Kx-1 | $343 |
| h. Kitchen Exhaust Kx-2 | $206 |
| i. Kitchen Exhaust Kx-3 | $206 |
| j. Kitchen Exhaust Kx-4 | $ 69 |
| k. Kitchen Exhaust Kx-5 | $137 |
| l. Compactor Exhaust Cx-1 | $2,745 |
| m. General Exhaust Fan Gxf-1 | $2,745 |
| n. EMR Evaporator Unit Ac-1 | $1,872 |
| o. EMR Condenser Unit Accu-1 | $958 |
| p. Dryer Exhaust Fan Dxf-1 | $206 |
| q. Dryer Exhaust Fan Dxf-2 | $206 |
| r. Dryer Exhaust Fan Dxf-3 | $206 |
| s. Dryer Exhaust Fan Dxf-4 | $206 |
| t. Dryer Exhaust Fan Dxf-5 | $206 |
| u. Switchgear Ac 1 | $5,627 |
| v. Switchgear Ac 2 | $172 |
| w. Switchgear Ac 3 | $343 |
| x. Switchgear Ac 4 | $515 |
| y. Amenity Ac | $ 20,585 |
| z. (4) Euh-1 | $6,804 |





| | |
|---|---|
| 3. Lighting Equipment | $31,733 |
| a. Interior Lighting | $29,434 |
| b. Exterior Lighting | $2,300 |
| 4. Elevator Equipment | |
| a. 3 @ 60HP | $10,904 |

Electric cost is based on $.21/kwh (dated August 15, 2013), from New York State Department of Public Service-monthly residential Bills including all taxes and charges.

Refer to attached Schedule B-1 individual apartment loads.

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

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

Very truly yours,

M. Dinaburg

Masha Dinaburg, P.E., LEED AP
Associate

cc: **The Continuum Company, LLC**
Brian Hussey, **bryanh@continuumllc.net**

**MG Engineering**
Bruce W. Jaffe / Kevin Cheung / Jack McCarthy / Michael Fiorillo / Nikola Ljuljic / Ed Gallet / Anita Skara / Edward Santana

MG ENGINEERING, P.C.

$ 0.21

**Schedule B-1: Individual Apartment Electrical Costs**

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 60A | 4 | 1776 | 5 | 4,426 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 10,373 | |
| 59A | 4 | 3781 | 7 | 6,155 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,102 | |
| 58A | 4 | 3783 | 7 | 6,157 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,104 | |
| 57A | 4 | 3785 | 7 | 6,159 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,106 | |
| 56A | 4 | 3785 | 7 | 6,159 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,106 | |
| 55A | 4 | 3786 | 8 | 6,160 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,107 | |
| 54A | 4 | 3785 | 7 | 6,159 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,106 | |
| 53A | 4 | 3784 | 7 | 6,158 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,105 | |
| 52A | 4 | 3782 | 7 | 6,156 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,103 | |
| 51A | 4 | 3780 | 7 | 6,154 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,101 | |
| 50A | 4 | 3777 | 7 | 6,152 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,099 | |
| 49A | 4 | 3774 | 7 | 6,149 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 3.0 | 4.9 | 12,096 | |
| 47A | 3 | 2493 | 6 | 5,045 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.74 | 1959 | 2.5 | 4.1 | 10,592 | |
| 46A | 3 | 2462 | 6 | 5,035 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,196 | |
| 46Bduplex | 2 | 2075 | 6 | 4,682 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1567 | 1.0 | 1.6 | 10,257 | |
| 45A | 3 | 2461 | 6 | 5,034 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,197 | |
| 44A | 3 | 2469 | 6 | 5,024 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,187 | |
| 44Bduplex | 2 | 2066 | 6 | 4,678 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1567 | 1.0 | 1.6 | 10,253 | |
| 43A | 3 | 2461 | 6 | 5,017 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,180 | |
| 42A | 3 | 2427 | 6 | 4,986 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,151 | |
| 42Bduplex | 2 | 2056 | 6 | 4,704 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1567 | 1.0 | 1.6 | 10,259 | |
| 41A | 3 | 2447 | 6 | 5,005 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,166 | |
| 40A | 3 | 2412 | 6 | 4,975 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,136 | |
| 40Bduplex | 2 | 2050 | 6 | 4,697 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1567 | 1.0 | 1.6 | 10,252 | |
| 39A | 3 | 2431 | 6 | 4,991 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,154 | |
| 38A | 3 | 2396 | 6 | 4,961 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,124 | |
| 38Bduplex | 2 | 2063 | 6 | 4,691 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1567 | 1.0 | 1.6 | 10,246 | |
| 37A | 3 | 2414 | 6 | 4,977 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,140 | |
| 36A | 3 | 2378 | 6 | 4,945 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,108 | |
| 36Bduplex | 2 | 2074 | 6 | 4,683 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1567 | 1.0 | 1.6 | 10,238 | |
| 35A | 3 | 2396 | 6 | 4,961 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,124 | |
| 34A | 3 | 2361 | 6 | 4,931 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 2.5 | 4.1 | 10,094 | |
| 34Bduplex | 2 | 2061 | 6 | 4,672 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1567 | 1.0 | 1.6 | 10,227 | |
| 32A | 2 | 1897 | 6 | 4,617 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.5 | 4.1 | 9,649 | |
| 32B | 2 | 1526 | 5 | 4,211 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,374 | |
| 31A | 2 | 1906 | 6 | 4,807 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,639 | |
| 31B | 2 | 1522 | 5 | 4,207 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,370 | |
| 30A | 2 | 1875 | 6 | 4,598 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,630 | |
| 30B | 2 | 1518 | 5 | 4,204 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,367 | |
| 29A | 2 | 1864 | 6 | 4,588 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,620 | |
| 29B | 2 | 1514 | 5 | 4,200 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,363 | |
| 28A | 2 | 1852 | 6 | 4,578 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,610 | |

| Schedule B-1: Individual Apartment Electrical Costs | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | |
| 28B | 2 | 1509 | 5 | 4,196 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,359 | |
| 27A | 2 | 1940 | 6 | 4,568 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,600 | |
| 27B | 2 | 1504 | 5 | 4,192 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,355 | |
| 26A | 2 | 1928 | 6 | 4,557 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,589 | |
| 26B | 2 | 1496 | 5 | 4,187 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,350 | |
| 25A | 2 | 1915 | 6 | 4,548 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,578 | |
| 25B | 2 | 1493 | 5 | 4,182 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,345 | |
| 24A | 2 | 1903 | 6 | 4,536 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,566 | |
| 24B | 2 | 1487 | 5 | 4,177 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,340 | |
| 23A | 2 | 1890 | 6 | 4,525 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,557 | |
| 23B | 2 | 1481 | 5 | 4,173 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,336 | |
| 22A | 2 | 1877 | 5 | 4,515 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,547 | |
| 22B | 2 | 1475 | 5 | 4,168 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,331 | |
| 21A | 2 | 1696 | 6 | 4,532 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,564 | |
| 21B | 2 | 1426 | 5 | 4,127 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,290 | |
| 20A | 2 | 1650 | 5 | 4,493 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.39 | 1045 | 2.0 | 3.2 | 9,525 | |
| 20B | 2 | 1463 | 5 | 4,160 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.44 | 1176 | 0.5 | 0.8 | 9,323 | |
| 19A | 2 | 1866 | 5 | 4,506 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1045 | 1.5 | 2.4 | 9,540 | |
| 18A | 2 | 2164 | 6 | 4,766 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1045 | 1.5 | 2.4 | 9,798 | |
| 18B DUPLEX | 2 | 1941 | 6 | 4,574 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.59 | 1045 | 1.5 | 2.4 | 9,606 | |
| 17A | 3 | 2152 | 6 | 4,756 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,527 | |
| 17B | 1 | 1095 | 5 | 3,846 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,356 | |
| 16A | 3 | 2139 | 6 | 4,746 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,517 | |
| 16B | 1 | 1089 | 5 | 3,841 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,351 | |
| 15A | 3 | 2126 | 6 | 4,736 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,507 | |
| 15B | 1 | 1083 | 5 | 3,837 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,347 | |
| 14A | 3 | 2113 | 6 | 4,726 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,497 | |
| 14B | 1 | 1076 | 5 | 3,832 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,342 | |
| 13A | 3 | 2100 | 6 | 4,716 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,487 | |
| 13B | 1 | 1070 | 5 | 3,826 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,336 | |
| 12A | 3 | 2056 | 6 | 4,681 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,452 | |
| 12B | 1 | 1046 | 5 | 3,809 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,319 | |
| 11A | 3 | 2053 | 6 | 4,678 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,449 | |
| 11B | 1 | 1030 | 5 | 3,796 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,306 | |
| 10A | 2 | 1833 | 5 | 4,489 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.5 | 2.4 | 9,260 | |
| 10B | 1 | 1024 | 5 | 3,792 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,302 | |
| 9A | 3 | 2690 | 8 | 5,229 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.0 | 1.6 | 10,000 | |
| 8A | 3 | 2452 | 8 | 5,024 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.50 | 784 | 1.0 | 1.6 | 9,795 | |
| 6A | 0 | 993 | 5 | 3,787 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,277 | |
| 6B | 0 | 1029 | 5 | 3,798 | 3 | 548 | 5.00 | 520 | 8.00 | 2,920 | 0.20 | 522 | 0.5 | 0.8 | 8,308 | |

Notes:
1) annual lighting and power diversity based on 8 hrs x 365 days x 25%.
2) annual hfcc cooling hr estimated at 90% 48 cooling days x 24 hrs.
3) annual heating hours estimated at 75% x 90 heating days x 24 hrs
4) annual cooktop and oven est 365 hr a year
5) Dryer usage based on 2s a week x 52 week x 1 hr

## I. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-(i)

HALSTEAD
PENMARK

**COMPLIANCE WITH REAL PROPERY LAW SECTION 339-(i)**

December 13, 2013

East 22nd Street Acquisition Holdings, LLC
c/o The Continuum Company LLC
30 West 21st Street
New York, New York 10010

**Re: 45 East 22nd Street Condominium**
**45 East 22nd Street, New York, New York**

Gentlemen:

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

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

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

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

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

Very truly yours,

PENMARK MANAGEMENT LLC

By: _____

Name: Leslie Bogen Winkler
Title: Senior Vice President

## J. STORAGE BINS, STORAGE CLOSETS AND GARAGE

The Condominium will contain Storage Bins, Storage Closets and Parking Spaces, licenses for which are offered for sale. The Garage and the Storage Bins and Storage Closets are located in portions of the Sub-Cellar, the Cellar and the First Floor Mezzanine of the Building.

The Board will make all decisions with regard to the operation of the Storage Bins, Storage Closets and the Garage.

No representation is made with respect to who the tenants or occupants of any portion of the Storage Bins, Storage Closets or the Garage may be at any time, or when the Storage Bins, Storage Closets or Parking Spaces in the Garage will be made available to Unit Owners. Notwithstanding the foregoing Sponsor anticipates that the Parking Spaces will be installed within one (1) year of the issuance of temporary certificates of occupancy for all of the Units.

## K. CHANGES IN PRICES AND UNITS

Purchase prices for all Offered Units 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 Board, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Offered Unit, except that no such change with respect to any Offered Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change.

Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Purchase Agreement, including but not limited to: purchase price; the amount of the Down Payment; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; work to be performed in the Unit or the revision of floor plans and the allocation and payment of costs therefor; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; and extensions of time periods within which to perform obligations under the Purchase Agreement. 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 without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under a Purchase Agreement.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate a Common Element as part of a newly created Unit or designate all or part of a Unit as a newly created Unit or Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to any of (a) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with

respect to any Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Unit. The Common Interest of a Unit may change if there is a change in the floor space or the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. No material change will be made in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

It should be noted that as long as the layout and dimensions of a Unit are not insubstantially or materially different than the Unit Plans, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change.

## L. INTERIM LEASES

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Unit, to rent or lease, rather than sell, such Unit to Purchasers and others. As a result, a Purchaser of a Unit may be acquiring a Unit that has been previously occupied or used, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. In addition, because Sponsor reserves the unconditional right to rent or lease Units, there is no commitment to sell more Units than the fifteen percent (15%) of such Units necessary to declare the Plan effective and, accordingly, Unit Owners who reside in the Building may never gain effective control and management of the Condominium, and the First Annual Meeting may never occur. (See the Sections entitled "Introduction", "Procedure to Purchase", and "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.) However, once an Agreement for a Unit is fully executed and for so long as the Agreement is in effect, such Unit may only be leased to its Purchaser. No Purchaser shall have the right to occupy or use any Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim lease or other written rental agreement.

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

If Sponsor agrees to lease a vacant Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an interim lease to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Purchase Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease whereupon the lessee must vacate the Unit within ten (10) days thereafter. The Purchase Agreement will contain a similar provision entitling Sponsor to terminate the Purchase Agreement and retain the Down Payment (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Unit. No portion of the rent paid under any lease will be credited towards the purchase price of a Unit unless the lease and the Purchase Agreement therefor expressly so provide.

In the event of any amendment to the Plan which discloses a material adverse change to the Plan and offers the Purchaser a right to rescind, if a Purchaser who is a tenant under an interim lease duly elects to rescind, the Purchaser's Down Payment will be returned subject to the terms of the Plan and the interim lease made with such Purchaser's Down Payment will be returned subject to the terms of the Plan and the interim lease made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within sixty (60) days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within a 60-day period. If such failure to timely vacate occurs prior to the First

Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the interim lease. If such failure to vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Unit's Common Interest, of debt service on any loan covering the Unsold Units) as calculated by Sponsor. In addition, irrespective of when failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees and expenses. In the event the Plan is abandoned, a Purchaser who has entered into an interim lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales and rental offices and model apartments for the Building. In the event Sponsor or its designee thereafter elects to sell any such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of the Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price for such Unit and such items to be included are specifically stated to be included in an addendum to the Purchase Agreement for such Unit.

## M. PROCEDURE TO PURCHASE

### 1. General Information

A person desiring to purchase a Unit will be required to execute a Purchase Agreement in quadruplicate (i.e., four (4) original copies), which will be in the form set forth in Part II of the Plan.

If a Purchaser has not received the Plan at least three (3) full business days prior to executing a Purchase Agreement, then a Purchaser shall have the right to rescind the Purchase Agreement within seven (7) days after the date of the Purchase Agreement. The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control except where such provisions were requested by Purchaser and agreed to by Sponsor.

Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase.

Purchase Agreements will not be binding on Sponsor until approved and executed by Sponsor, and delivered by Sponsor to the prospective Purchaser even if the Sponsor has deposited the Down Payment. Sponsor will have thirty (30) days after delivery by Purchaser of an executed Purchase Agreement and the down payment required thereby, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law.

If a Purchase Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period, the Purchase Agreement shall be deemed to have been rejected and canceled and all sums theretofore deposited thereunder, without interest, shall be promptly returned to the prospective Purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the Board, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by law, and (b) a Purchase Agreement(s) for more than one Unit to any one person or entity.

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 23A of the General Business Law of the State of New York.

At the time of execution of a Purchase Agreement, a Purchaser is required to make a payment in an amount equal to the sum of ten percent (10%) of the Purchase Price (or 50% of the Purchase price if the Purchaser has diplomatic immunity) and within one hundred twenty (120) days thereafter, or thirty (30) days after the Plan is declared effective, if it is earlier an additional ten percent (10%) of the purchase price (collectively the "Down Payment"). In the event the Purchaser defaults, the Sponsor shall have the right to retain the Down Payment. Purchase Agreements entered into after the construction of the building has been completed and

the temporary certificate of occupancy issued, shall not require a second deposit. Alternatively, these Purchase Agreements will require a Down Payment that is at least 10% of the Purchase Price and a Closing Date that is either (i) sixty (60) days after the execution of the Purchase Agreement or (ii) thirty (30) days after a written notice of the time and place of the Closing is sent to the Purchaser. All Down Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Down Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be canceled and of no further force or effect.

Each prospective Purchaser should note that Sponsor is only obligated to provide the equipment, fixtures and furnishings described in the "Description of Property" set forth in Part II of this Plan. If a person desiring to purchase a Unit requests that Sponsor perform special work on such Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the "Description of Property", and Sponsor agrees to perform such special work and/or provide such furnishings, then a description of such work or furnishings shall be inserted as an addition to the Purchase Agreement and Sponsor may require such person to pay for said special work or furnishings in advance together with the cost of removing the special work if the Purchaser fails to close. Any funds received by Sponsor for such special work must initially be placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by Sponsor as long as the Sponsor uses such funds for such special work. As a result, in the event the Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for special work. Notwithstanding the foregoing, if Sponsor abandons the Plan, all such funds received by Sponsor for special work will be returned to Purchasers. Sponsor shall be under no obligation whatsoever to agree to perform any special work or provide extra furnishings for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser or its agents to perform any special work or install extra furnishings prior to Closing. Any and all special or additional work which a Purchaser desires to be performed with regard to a Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole discretion of Sponsor. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to Purchaser unless Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the purchase price for such Unit.

The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Unit by an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Down Payment will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE

PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE FOR A UNIT UNLESS OTHERWISE AGREED BY SPONSOR.

After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth below. A Purchaser may waive notice of such Purchaser's Closing Date. In the event of any default by Purchaser under his or her Purchase Agreement, and if Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of default, Sponsor may, at its option, cancel such Purchase Agreement and retain the Down Payment made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate. In addition, Sponsor shall also be entitled to retain (i) any amount spent by Sponsor for special work requested by Purchaser and (ii) the reasonable cost to restore the Unit to its condition prior to such special work being performed. Sponsor will fix dates for closing title to all Unsold Units for which Purchase Agreements have been executed by serving notice upon each Purchaser setting such Purchaser's Closing Date unless a specific Closing Date is contained in the Purchase Agreement.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, an amount equal to 0.04% of the purchase price of his Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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 all of the Purchaser's Purchase Agreements. In the event of a such a default, Sponsor may, at its option, cancel each such Purchase Agreements and retain, as liquidated damages, all Deposit(s) made by Purchaser, together with any interest earned thereon, if any, under each of such Purchase Agreement(s).

In order to facilitate the Sponsor's sale of the Units, prior to (a) one (1) year after a Purchaser's closing on its Unit, a Purchaser will not be permitted to sell his or her Unit(s) without obtaining the Sponsor's written approval, and (b) a Purchaser's closing of a Unit, the Purchaser may not (i) list the Unit for resale with any broker or otherwise, or (ii) advertise, promote or publicize the availability of his or her Unit for sale or lease.

It is anticipated that the First Closing will occur on July 1, 2017. In the event the projected commencement date of Condominium operation is twelve (12) months or later than the

anticipated date of the First Closing, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements and have their Down Payments refunded to them. In the event that the projected commencement date of Condominium operation is six (6) months later than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the Common Charges in the revised budget increase by twenty-five percent (25%) or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements and have their Down Payments refunded to them. Any Purchaser electing rescission will have their Down Payments and any interest earned thereon returned; provided however, that Sponsor may retain any escrow funds expended for special work at the request of the Purchaser as well as the cost of any work necessary to restore the Unit to its condition prior to such work having been performed. Rescission need not be offered to any Purchaser who is in default under such Purchaser's Purchase Agreement, beyond the expiration of any applicable grace period, provided that Sponsor shall only retain the Down Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2b) and 352-h and the Attorney General's regulations promulgated pursuant thereto as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

At the time of execution of a Purchase Agreement, Purchaser is not required to sign a power of attorney to the Condominium Board. Notwithstanding the foregoing, at the closing of title and simultaneously with the delivery of the deed conveying a Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

If the Plan is withdrawn or abandoned, the Down Payment previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within ten (10) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his or her Unit, whether or not he or she has taken possession of his Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to his Unit or the Building has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit prior to Closing, at which time any risk not covered by insurance shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the 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 for the subject 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 respective Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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 Unit, or, if the casualty occurs after the First Closing and the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if 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.

Purchase Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion.

## 2. Escrow and Trust Fund Requirements

The Purchase Agreement is attached hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in Section 12 of the Purchase Agreement, which must be executed by the Escrow Agent.

All Down Payments received by Sponsor under a Purchase Agreement will be held in escrow in conformity with the provisions set forth below.

All Down Payments made pursuant to a Purchase Agreement are subject to the escrow and trust fund requirements of the State of New York Lien Law Section 71a(3), the General Business Law of the State of New York Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in a 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.

### a. Escrow Agent

All Down Payments made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after the Purchase Agreement has been signed by all necessary parties, in a segregated special escrow account of Holland & Knight LLP, the escrow agent for Sponsor and Purchaser (the "Escrow Agent"), whose address is 31 West 52nd Street, New York, New York 10019 and whose telephone number is (212) 513-3308. The attorneys who are signatories on this account authorized to withdraw funds are: Stuart M. Saft, Renee I. Covitt, Neil N. Beaton, Richard A. Crowley, William J. Honan, Martin P. Miner,

Randal R. Craft Jr., Michael J. Frevola, Nancy L. Hengen, Christopher G. Kelly, Alan D. Reitzfeld, Sean C. Sheely, James M. Spitzer Jr., Barry Vasios, Arthur E. Rosenberg, Vincent J. Foley, R. Scott Johnson, Lance Myers and Christopher R. Nolan. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

b. Escrow Account

The Escrow Agent has established a master escrow account at Bank of America, N.A. (the "Bank") at its branch located at One Bryant Park, New York, New York entitled "Holland & Knight LLP - 45 East 22nd Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Down Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Down Payment and the Purchase Agreement. If a Down Payment is accompanied by a completed and signed Form W-9 or Form W8, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Down Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of December, 2013 is approximately .20%. Interest shall begin to accrue upon placing the Down Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Down Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts. At such time as the Down Payment is released, the Down Payment 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. The Bank is covered by federal bank Down Payment insurance to a maximum of $250,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes a Down Payment in excess of $250,000 for the purchase of a unit, such Down Payment will not be federally insured in excess of $250,000; and (ii) while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $250,000. In addition, if Purchaser makes a Down Payment of less than $250,000 but maintains other accounts at the same bank, those accounts could be used to count toward the $250,000 limit.

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

Acceptance of the Down Payment by Sponsor or Selling Agent and deposit of the Down Payment 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 tenders all or a portion of the Down Payment without an executed Purchase Agreement, Sponsor shall have the right to reject the Down Payment and return it to Purchaser: (i) within five (5) business days after tender, if the Down Payment has not been deposited into escrow, and (ii) at any time, if the Down Payment has been deposited into escrow.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Down Payment. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts which varies. Interest will begin to accrue after deposit within: (i) one (1) business day, if the Down Payment is cash or cash equivalent, or (ii) three (3) business days, if the Down Payment is other than cash or cash equivalent, of the transfer of the Down Payment from the checking account portion of the Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Holland & Knight LLP, as Escrow Agent." Endorsed instruments will not be accepted.

In the event a check delivered by a Purchaser fails of collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

c. Notification to Purchaser

Within five (5) business days after the fully executed Purchase Agreement has been tendered to Escrow Agent along with the Down Payment, the Escrow Agent shall sign the Purchase Agreement and place the Down Payment into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Down Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Down Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Down Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Purchase Agreement and Down Payment to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such

cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Down Payments and requisite notice was timely mailed to Purchaser.

d. Release of Funds

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

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

Escrow Agent will hold the Down Payment in escrow until otherwise directed:

(i) pursuant to terms and conditions set forth in the Purchase Agreement in Paragraph 12 upon closing of title to the Unit; or

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

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

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

Sponsor will not object to the release of the Down Payment to:

(a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or

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

Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Down Payment to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement. The Department of Law may perform random reviews and audits of any records involving the Escrow Account to determine compliance with all applicable statutes and regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Down Payment or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Down Payment and continues to act as Escrow Agent. Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the performance or non-performance of Escrow Agent's duties under Article 12 of the Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of Article 12 of the Purchase Agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under Article 12 of the Purchase Agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance. Escrow Agent will maintain all records concerning the Master Escrow Account for seven years after the release of funds.

Sponsor may agree to modify the floor plans and finishes of certain Units or to do special work or provide extras to the Units as requested by individual Purchasers as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to floor plans and finishes in advance together with the cost of removing the special work if the Purchaser fails to close. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for special work or extras, unless Purchaser is entitled to rescission because of Sponsor's withdrawal or abandonment of the Plan or other acts of Sponsor.

e. Waiver Void

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

3. **Date of the First Closing; Closing Notices**

After this Plan is declared effective, Sponsor shall fix dates for closing title to

Units for which Purchase Agreements have been fully executed. Sponsor will give each Purchaser not less than thirty (30) days prior written notice of the date, time and place (in the Borough of Manhattan) for the Closing. Purchasers may, but are not required, to waive this thirty (30) day notice. At Closing, such Purchaser shall pay the balance of the purchase price stated in the Purchase Agreement by unendorsed, personal certified check or by official cashier check.

4. **Default**

In the event a Purchaser fails to close title on the date set for Closing or otherwise fails to perform any other obligation under his or her Purchase Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may cancel such Purchase Agreement and retain as liquidated damages the Deposit made by the Purchaser together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. In the event Sponsor elects to cancel the Purchase Agreement and retain the Deposit, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the Purchase Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

In the event Sponsor elects not to cancel the Purchase Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

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

As provided in the form of Purchase Agreement, which is set forth in Part II of

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

5. **Prohibition Against Advertising, Selling or Leasing**

Purchasers are prohibited prior to acquisition of a Unit and for a period of twelve (12) months after acquisition of the Unit from selling or leasing their Unit, listing their Unit for sale or resale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Purchase Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor.

6. **Risk of Loss**

Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an interim lease or written Purchase Agreement with Sponsor, at which time such risk to the contents of the Unit (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the 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 for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored.

In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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 Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Condominium Board"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan, except that if the Purchaser is then in default under the Purchase Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

## 7. Financing

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

## 8. Transfer (and Mansion) Taxes

Purchasers shall be responsible (as is customary in condominium offerings) to pay at the closing of title to their Unit(s) the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently, for the purchase of a single Unit, the New York City Real Property Transfer Tax is one percent (1%) of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently (as of the date of filing of this Plan) one percent (1%) of the total consideration paid when such consideration is $1,000,000 or more, which tax by law is the primary obligation of the Purchaser. It is likely that the purchase price, a share of the Resident Manager's Unit cost and transfer taxes, payable by purchasers, together with any other amounts paid by the Purchaser which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at total consideration for transfer tax and mansion tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

9. **Unit Owner Power of Attorney**

At the Closing and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 2 to: (a) the persons who shall from time to time constitute the Condominium Board, designating such Board as the Purchaser's attorney-in-fact, for the purpose of acquiring or leasing in the name of the Condominium Board or its designee on behalf of all Unit Owners any Unit and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; and after any such acquisition or leasing of any Unit, to manage, convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired or leased, as the case may be, all in accordance with the provisions of the Declaration and By-Laws. Failure by any Purchaser to deliver such document at closing shall constitute an event of default under a Purchaser's Purchase Agreement, entitling Sponsor to all remedies set forth in such Purchase Agreement; and (b) Declarant, for the purpose of amending the Declaration and effectuating the rights granted to Declarant under the Declaration and the By-Laws and this Plan and consenting on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Air Rights.

10. **Foreign Missions: Required Notification and Waiver of Diplomatic or Sovereign Immunity**

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

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit action or proceeding arising out of or relating to the Agreement being brought in any state or Federal Court in the State of New York. Any such purchaser shall designate C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, 13th Floor, New York, New York, 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state of Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement.

11. **Exemption from Interstate Land Sales Full Disclosure Act**.

This Offering is exempt from a filing under the Interstate Land Sales Full Disclosure Act ("ILSA"), 15 U.S.C.A. § 1701 et seq., because there will be less than 100 units.

## N. ASSIGNMENT OF PURCHASE AGREEMENTS

A Purchase Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under a Purchase Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Purchase Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Purchase Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as two (2) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN, as applicable, which must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In the event such fee is not collected prior to the Closing, it is payable at the Closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Furthermore, if Purchaser is requesting to assign the Purchase Agreement to an entity, then the Purchaser shall furnish to Sponsor's Counsel, all organizational documents containing proof that the proposed assignee entity is authorized to assume the Purchase Agreement and close on the Unit. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promotion or publicizing the availability of such Unit(s) for sale shall remain if effect.

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

## O. EFFECTIVE DATE

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., purchase agreements signed by bona fide purchasers including investors for at least 15% of the Units offered under the Plan). The Plan must be declared effective when Purchase Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to 67 Units or eighty percent (80%) of the Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Purchase Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen percent (15%) of the Units being offered for sale under the Plan, which is 13 Units.

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) signed by Purchasers who have not been afforded at least three (3) business days to review this Plan and all filed amendments prior to executing a Purchase Agreement or at least seven (7) days to rescind; or (iii) signed by any Purchaser who is Sponsor, the Selling Agent, the Managing Agent, or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either (except that such a purchaser other than Sponsor or a principal thereof may be counted if Sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide).

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

The Plan may, at the option of Sponsor, be abandoned a) at any time before it is declared effective and b) after it is declared effective in the event of: (1) the existence of one or more title defects affecting any one or more Units or the Property that cannot be removed, cured or complied with or without litigation or for less than one half of one percent of the total offering amount; (2) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one half of one percent of the total offering amount; or (3) a taking of all or part of the Property in condemnation proceedings or by eminent domain.

In the event the Plan is withdrawn or abandoned, the Plan will be abandoned by a duly filed amendment and all Down Payments, together with interest earned thereon, if any, will be returned to Purchasers within ten (10) days following such withdrawal or abandonment. Upon the return of the Down Payments, together with any interest earned thereon, 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. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and, in the

case of an abandonment, shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all funds received.

## P. TERMS OF SALE

### 1. Preconditions for Closing

The term "Closing" as used herein refers to the conveyance of title to a 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 Unit. After the Plan has been declared effective, Sponsor shall provide Purchasers with at least thirty (30) days notice of the scheduled Closing Date. The Closing to each Unit shall be held at the offices of Sponsor's Counsel, Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019 or at such other place as Sponsor may designate on not less than two (2) business days' notice prior to the Closing. The Closing to each Unit shall take place only after or concurrently with the following events:

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

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

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

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

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

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

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

(h) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the purchase price of the Unit, insuring that (i) Purchaser has fee title to his or her Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which his or her Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the purchase price of his or her Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Purchase Agreement will remain in full force and effect, Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Purchase Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Purchase Agreement, together with interest earned thereon, if any, except if Purchaser is in default under the Purchase Agreement, Sponsor shall retain any such sums as and for liquidated damages.

A Closing will take place only concurrently with the issuance of a temporary certificate of occupancy for a specific Unit until the issuance of a temporary or permanent certificate of occupancy for the entire Building.

All personal property located within a Unit as of the date the Purchase Agreement is executed or located within the Common Elements on the date the Declaration is filed, is not included in the conveyance, unless the Purchase Agreement or the Declaration, as the case may be, specifically includes it.

If the construction loan on the Building is not satisfied at or prior to the First Closing, at the First Closing, the Mortgagee will release its lien on the Condominium Unit being conveyed and the Common Elements.

2. **Acceptance of Deed**

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging

Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the Closing Date, but all such obligations to complete work in the Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall provide written notice that such Purchaser wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. A Purchaser who fails to inspect such Unit prior to the Closing shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan.

3. **Condition of Unit**

Notwithstanding anything to the contrary set forth above, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Building; (ii) for defects of an insubstantial nature, such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, (iv) variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom finishes, (viii) air infiltration from windows, (ix) normal plumbing system, heating system and air conditioning system noises, (x) normal floor noises and creaking, (xi) carpet or floor discoloring or stretching, (xii) variations in width, length or tone of wood floor strips, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, which also may result in the warping of the floors (xiii) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, (xv) cracks or variations in tone, finish or color of any marble used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble aggregate surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) ponding and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure treated wood or redwood used or intended for use outside the Building. Prior to Closing, but in no event thereafter, Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Sponsor's obligation for the condition of a Unit is limited to the Original Purchase of a Unit from the Sponsor. Sponsor shall have no responsibility for any condition in

any Unit that is resold by a Purchaser from the Sponsor.

4. **Tax-Deferred Exchanges**

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

5. **Risk of Loss**

Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an interim lease or written Purchase Agreement with Sponsor, at which time such risk to the contents of the Unit (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the 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 for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the

respective Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored.

In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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 Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan, except that if the Purchaser is then in default under the Purchase Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

## Q. CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Purchase Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Unit. Recording charges, fees and taxes are based on rates in effect on the date the Plan was prepared and are subject to change without notice:

(a) A contribution to the working capital fund in an amount equal to two (2) months' Common Charges then applicable to each Unit being purchased;

(b) Purchaser will pay the premium for title insurance, which will vary depending upon the purchase price of the Unit. Purchasers may use a title insurance company of their choice. If Purchaser elects to obtain fee title insurance from Commonwealth Land Title Insurance Company, having an office at 630 Third Avenue, Suite 1200, New York, New York 10017, Tel: (212) 490-2277 (the "Title Insurance Company"), the current rates appear below.

**FEE RATE SCHEDULE FOR INSURANCE UNDER $1,000,000**

| FEE AMOUNT | 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**

| FEE AMOUNT | 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 |

(c) Mortgage Title insurance rates are outlined on the schedule below.

**MORTGAGE RATE SCHEDULE**

| FEE AMOUNT | PREMIUM |
|---|---|
| First $35,000 or less | $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 |

Note: If a purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from the Title Insurance Company, the premium for the mortgage title insurance will be at a 21% simultaneous bulk rate up to the amount of the owner's policy.

(d) A fee for recording the Unit Deed and Unit Power of Attorney. The Title Insurance Company charges $42.00 as a base recording charge plus $5 per page plus $40.00 document service charge and charges a mortgage recording fee (if applicable) at a rate of $42.00 per instrument plus $5 per page and a $40.00 document service charge. Each title company establishes its own additional service fees and surcharges in this regard;

(e) If Purchaser obtains a mortgage loan, the 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);

(f) The New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Unit is one percent (1%) of the purchase price of a Unit $500,000 or less (1.425% of the purchase price if over $500,000), and the New York State Real Estate Transfer Tax ("NYS Tax"), which is presently $2.00 for each $500.00 (or part thereof) of the purchase price of a Unit. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Therefore, the steps to compute the tax are:

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

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

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

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

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

Example:

Purchase price = $1,550,000.00

| | | |
|---|---|---|
| (1) $1,550,000.00 x 1.425% | = | $22,087.50 |
| (2) $1,550,000.00 x .4% | = | $6,200.00 |
| (3) $1,550,000.00 + $28,287.50 | = | $1,578,287.50 ("Adjusted Purchase Price") |
| (4) $1,578,287.50 x 1.425% | = | $22,490.60 |
| (5) $1,578,287.50/$500.00 x $2.00 (rounded up to nearest $500) | = | $6,314.00 |
| (6) $1,578,287.50 x 1% | = | $15,782.88 (the "Mansion Tax" – see below) |

Where a purchaser purchases two or more Units, the NYC RPT Tax rate where the consideration is $500,000 or less will be 1.425%, while the tax rate where the consideration is in excess of $500,000 will be 2.625%. The City of New York Department of Finance has recently taken the position that the consideration for the transfer of each Unit is not aggregated for purposes of determining total consideration. There is no guarantee that The City of New York will not change its positions with respect to the purchase of multiple Units by the same purchaser.

(g) If the purchase price of the Unit is $1,000,000 or more, the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax", currently one (1%) percent of the purchase price. Purchase price and transfer taxes payable by purchaser are added together by NYS Department to arrive at total consideration. Therefore, a residential unit priced at $985,000, where purchaser pays transfer tax, would subject purchaser to liability for Mansion Tax as the aggregate of price plus tax would exceed $1,000,000.

(h) The legal fees of Sponsor's Counsel in the amount of $3,500.00 will be payable by a purchaser to Holland & Knight LLP. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's Counsel, Holland & Knight LLP, in connection with the closing of title to Purchaser's Unit: If the Purchaser requests the Closing to occur other than at the offices of Holland & Knight LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $750 for each Closing held in any borough outside Manhattan. In addition, 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, Purchaser shall pay a fee of $1,000 to Sponsor's Counsel, payable in advance for preparation of an assignment agreement (Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit), provided, however, that in the event the Purchaser is offered and exercises a right of rescission, or the Plan is abandoned, the fee described in this subsection (iii) shall be refunded to Purchaser, (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay the Sponsor's Counsel an additional fee of $750 to defray the additional costs

associated therewith, (v) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay Sponsor's Counsel an additional fee of $1,000 for each adjournment to help defray the cost of preparing for and coordinating the new closing, (vi) $250 for the preparation of ACRIS transfer documents required by the City of New York, and (viii) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under section 1031 of the Internal Revenue Code, and, (ix) if any custom work is to be done in the Unit, then Purchaser shall pay Sponsor's Counsel an additional fee to defray the additional cost associated therewith for negotiating and preparing the requisite documents on an hourly basis at Holland & Knight LLP's customary rates, which may range from $200 - $450. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single unit. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

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

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

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or are to be assessed against the Unit,

together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with 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.

Example: Mandatory Closing Costs

Purchaser will pay the following mandatory Closing costs based on rates in effect in May 2014 and assuming the Purchase Price is $1,550,000 and the form of documents in the Part II of this Plan are used (all amounts are approximate and rounded to the nearest whole dollar).

| | |
|---|---|
| (1) Fee to record Unit deed (assuming 8 pages + 1 cover page) and Unit Owner's Power of Attorney (assuming 6 pages + 1 cover page) at a rate of $42 for each instrument plus $5 per page plus a recording charge for the RP5217 NYC form. | $289.00 |
| (2) Title insurer's service charge and recording fee to record the Unit deed and Unit Owner's Power of Attorney | $80.00 (estimated & approximate) |
| (3) New York State transfer tax (also called the documentary stamps) at the rate equal to the Adjusted Purchase Price (see Example above) x .4% (rounded up to the nearest $500 | $6,200.00 |
| (4) New York City transfer tax (at the rate of 1% of an Adjusted Purchase Price of $500,000 or less, or at the rate of 1.425% of an Adjusted Purchase Price of more than $500,000 | $22,490.60 |
| (5) "Mansion Tax" of 1% of the Adjusted Purchase Price (if the Adjusted Purchase Price is $1,000,000 or more) | $15,782.88 |
| (6) Contribution to Resident Manager's Unit purchase | $7,978.63 |
| Total projected mandatory Closing costs: | $52,821.11* (estimated & approximate) |

*Note: This figure does not include the required Working Capital Fund payment equal to two (2) months' projected Common Charges or the legal fee due Sponsor's Counsel. In addition, governmental recording fees may vary from time to time. Additional title company service charges (if any) may also be imposed depending on the title agent or insurer.

Example: Elective Closing Costs

Assuming the purchase of the Unit is financed with a mortgage loan for 80% of the Purchase Price (or $1,240,000) and both fee and mortgage title insurance are obtained simultaneously for Purchaser and Purchaser's mortgage lender, Purchaser would pay the following projected elective Closing costs based upon rates in effect as of May 2014 (all amounts are approximate):

| | |
|---|---|
| (1) Mortgage recording tax (at a rate of 2.05% of the mortgage – if less than $500,000 – or 2.175% of the mortgage – if $500,000 or more), minus $30 and minus .25% payable by the mortgage lender before deducting the statutory credit against the mortgage tax credit payable to Sponsor. | $23,840.00 |
| (2) Mortgage recording fee (assuming 20 pages, including 1 cover page) at the rate of $42 per instrument, $5 per page, and a $40 service fee to title company. | $182.00 |
| (3) Municipal charge to record the mortgage tax credit affidavit. | $25.00 |
| (4) Premium for simultaneous fee ($4,564.00) and mortgage ($944.00) title insurance. | $5,508.00 |
| (5) Other projected potential mortgage loan costs (assuming: "points" of 1% of mortgage amount, appraisal of $250, lender's legal fee of $750, UCC-1 filing fee of $70 and $200 allowance for miscellaneous expenses) | $13,670.00 |
| (6) Allowance for title closer gratuity and contingencies. | $250.00 |
| Total projected elective closing costs: | $43,475.00* (estimated and approximate) |

*Note: This projection does not include: (a) escrows for real estate taxes, Common Charges or other sums that might be required by Purchaser's mortgage lender, (b) a travel fee to Sponsor's Counsel in the event the Purchaser's lender or its counsel refuses to close at the office of Sponsor's Counsel or (c) a fee to any attorney Purchaser may engage.

Purchaser's actual Closing costs will be based upon the applicable governmental and title company rates in effect on the Unit Closing Date.

The foregoing projections of mandatory and elective Closing costs are not guaranteed. Although the projections are believed to be reasonable, there are a number of unknown factors (such as the mortgage loan Closing costs, which may vary widely amongst different lenders). As a result, the actual Closing costs may be higher or lower, perhaps substantially, than those projected.

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

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) Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes the Unit Owners will pay a pro rata share (in the proportion that such Units' Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (Please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). The Condominium Board will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board--Common Charges: Collection and Lien for Non-Payment" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority. Real estate taxes will be included as Common Charges until the Units are separately assessed. Following separate assessment of the Units, the Unit Owners will be reimbursed for any overpayment of taxes, or assessed for an underpayment, as described in the By-Laws.

If a Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, an amount equal to 0.04% of the purchase price of his or her Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

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

## R. RIGHTS AND OBLIGATIONS OF SPONSOR

### 1. Sponsor's Obligations with Respect to the Building

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

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

(ii) Sponsor shall not (1) materially change the size or location of the Units, other improvements or Common Elements or (2) make any changes that affect the percentage of common interests or materially adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change.

There is a rebuttable presumption that an area that is diminished by 5% or less is not material. Notwithstanding the foregoing, any such changes, if material (for example, variations in square footage in excess of 5%), shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under a Purchase Agreement which has been countersigned by Sponsor and returned to the Purchaser unless (i) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices exists), and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive refund(s) of their Down Payment(s), together with all interest earned thereon, (ii) the affected Purchaser consents or (iii) the Purchaser is in default. No material change will be made in the size or location of any Units' other improvements or Common Elements if such changes affect the percentage of Common

Interests or materially adversely affect the value of any Unit to which title has closed or for which an Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. However, as long as the layout and dimensions of a Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claims against Sponsor as a result thereof. The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the construction of such portion of the Building and its appurtenances and all of the Units have been substantially completed in accordance with this Plan and the Plans and Specifications.

Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Units, or in the installation or operation of any appliances, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Unit Owner in writing of such defect: (i) as to the Common Elements, within six (6) months from the earlier of the issuance of a temporary Certificate of Occupancy for the portion of the Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Unit, on or prior to the date of closing for such Unit, except that if any such defect in a Unit can be detected only by occupancy of the Unit, Sponsor will correct such defect if notified in writing by the Unit Owner within six (6) months from the earlier of the closing of title to such Unit or the commencement date of an interim lease for such Unit. However, notwithstanding the foregoing, Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen or others are assigned to the Condominium Board or any Unit Owner(s); or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any trees, shrubs, or other landscape improvements, nail pops, ridging on gypsum board/sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, scratches in formica or porcelain surfaces, bath and kitchen title grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or carpet discoloring

and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair shall be made by filling the stone or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), in accordance with the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in this Plan.

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

Each Unit and the fixtures and personal property contained therein, are being sold and delivered as described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and the Purchaser of such Unit otherwise agree in writing. The Purchaser of a Unit shall inspect such Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Unit by Sponsor following the closing for such Unit, but all such obligations to complete work in the Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall

not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement.

Under the present construction schedule, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, government restrictions, acts of god or other events beyond its reasonable control, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specialized work, if any, which Sponsor agrees to perform in individual Units at the request of Purchasers, a first temporary certificate of occupancy could be issued on the Completion Date and the Building will be substantially completed by the Completion Date, subject to Unavoidable Delays. Sponsor, however, makes no warranty or representation as to the date of substantial completion or the issuance of the first temporary certificate of occupancy. Purchasers should also note that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Agreement in the event the closing of a Unit does not occur on a specific date. In the event that the first year of operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised Budget with current projections and if: (i) such amended budget exceeds the projected Budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected first year of operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Down Payment and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

(b) Sponsor will obtain a temporary or permanent certificate of occupancy for the Building. A permanent certificate of occupancy is required for permanent use of the Building. Temporary residential use of the Building is permitted upon the issuance of a temporary certificate of occupancy, but if a temporary certificate of occupancy, which may be extended up to a total of two years, expires prior to obtaining a permanent certificate of occupancy, occupancy of the Building will be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law, including, possibly,

the eviction of residential occupants. It is important to note that the permanent certificate of occupancy cannot be obtained until the Units are completed. Sponsor makes no representation or warranty as to when after issuance of the first temporary certificate of occupancy the Department of Buildings will issue a permanent certificate of occupancy.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy covering the entire building but with only a temporary certificate of occupancy, and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary and permanent certificates of occupancy are issued by the New York City Department of Buildings. A temporary certificate of occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the New York City Department of Buildings. All temporary certificates of occupancy have an expiration date. A temporary certificate of occupancy typically expires 90 days after the date of issuance. When a temporary certificate of occupancy expires and is not renewed, it may be difficult or impossible to buy insurance or sell or refinance a Unit. If a temporary certificate of occupancy expires before it is renewed or a permanent certificate of occupancy is obtained, residential occupancy of the premises will be in violation of the Multiple Dwelling Law. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a temporary certificate of occupancy rather than a final certificate of occupancy. Sponsor anticipates this scenario may occur. Sponsor and its principal(s) will undertake the responsibility for extending each temporary certificate of occupancy received prior to expiration thereof, and ultimately for obtaining a permanent certificate of occupancy covering the entire building within two (2) years from the date of the issuance of the first temporary certificate of occupancy. However, Sponsor and its principal(s) make no representation or guarantee that the New York City Department of Buildings will issue the permanent certificate of occupancy within such two (2) year period. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the permanent certificate of occupancy for the entire building, and shall exercise best efforts to obtain the permanent certificate of occupancy within such two (2) year period while keeping the temporary certificate of occupancy current. Unit Owners and the Condominium Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

As a result of the unusual shape and size of the Building: the Condominium Board will need to access the units in order to replace the exterior glass panels of the Building's façade; the trash will be collected and stored on the second floor and then removal from the Building through the use of the Service Elevator; and the Service Elevator is the only elevator that can accommodate a stretcher. There may also be ongoing cracks in the ceilings and floors due to the naturally occurring movement of the Building.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a final certificate of occupancy, such renovations may cause additional delays in the issuance

thereof. Notwithstanding the foregoing, Sponsor and its principal(s) are obligated to procure the final certificate of occupancy.

Purchasers are advised to visit the New York City Department of Buildings website for further recommendations when purchasing a unit in a building that does not have a final certificate of occupancy. A fact sheet on certificates of occupancy is available on its website at http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf .

Purchasers should seriously consider negotiating closing based on a permanent certificate of occupancy, not a temporary certificate of occupancy. If purchasing a Unit covered by a temporary certificate of occupancy, Purchasers should consult a licensed architect or engineer to determine what work has to be done in order for the Building to receive a permanent certificate of occupancy. Purchasers are advised to visit the Department of Buildings' website for further recommendations when purchasing a Unit that does not have a permanent certificate of occupancy. Please see the Section of the Plan entitled "Procedure to Purchase" for more information.

(c) In the event that a closing takes place prior to the issuance of a permanent certificate of occupancy for the Unit, Sponsor shall maintain all deposits and funds in the special escrow account required by Section 352-e(2)(b) of the New York General Business Law unless the Sponsor's engineer or architect certifies that a lesser amount will be necessary to complete the work necessary to obtain a permanent certificate of occupancy for the Unit, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from escrow. Alternatively, Sponsor may deposit with the Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, in which event same will be reflected by duly filed amendment to the Plan. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the permanent certificate of occupancy, can be released from escrow from time to time upon the receipt by Escrow Agent of a request by Sponsor. The amount retained in escrow pending the delivery of a permanent certificate of occupancy and the architect's certification certifying such amounts will be included in the initial post-closing amendment, and, if applicable, in any subsequent amendments to reflect any changes in the amount of the escrow. The use of any alternate security will be disclosed prior to the use of such security in an amendment to the Plan.

(d) Each Unit and the fixtures and personal property contained therein are being sold and delivered as described in this Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personal property contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work of a nature to be completed in the Unit by

Sponsor following the Closing for the Unit in question but all such obligations to complete work in the Unit shall cease once the work has been completed. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement.

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

(f) Sponsor shall not be obligated to correct, repair, or replace any and all defects relating to construction of the Units or the Common Elements, or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering because such law is applicable to units in buildings of five stories or less. However, Sponsor's obligations to construct the premises must be in accordance with all applicable codes and filed plans and specifications.

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

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

(i) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in

accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(j) Sponsor shall have the obligation to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Condominium Board and the Unit Owners in any such action or proceeding as is required by law.

(k) Following the issuance of a permanent certificate of occupancy for the Building, Sponsor will deliver to the Condominium Board a complete set of mechanical, electrical and plumbing drawings for the entire Building.

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

(m) Sponsor will pay all Common Charges (or as applicable, operating expenses), special assessments and real estate taxes allocated to any Unsold Unit in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Sponsor will fund its financial obligations from proceeds from the sales of Offered Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

(n) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of the Board") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B.

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

(p) Sponsor is obligated to deliver to the Condominium Board a set of "as-built" plans for the Building and all books of account and records pertaining to the

Building's operation which are in Sponsor's possession on the First Closing.

(q) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer to an investor of ten (10) or more Units or twenty (20%) percent of the Units in the Condominium, whichever is less, in connection with Sponsor's liquidation of its interest in the Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable law or regulations.

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

(s) Purchasers are advised that the risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an interim lease or written Purchase Agreement with Sponsor, at which time such risk to the contents of the Unit (but not to any portion of the Unit or Common Elements otherwise insured by Sponsor or the Condominium Board) shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the 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 for the subject Unit. In the event of an occurrence of a fire or other casualty, Sponsor shall notify the Purchaser as to whether or not Sponsor will restore the Unit no later than two (2) months after the date of the occurrence of the fire or other casualty. In addition, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Board and other Unit Owners, belong entirely to Sponsor. In the event that Sponsor elects to repair or restore a Unit, Sponsor will restore the Unit and Common Elements to substantially the same condition that the Unit and Common Elements existed in immediately prior to the casualty, and essential services (such as utilities and heat) and a reasonable means of ingress and egress to the street, if affected, will be restored. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of 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 Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Condominium Board"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan, except that if the Purchaser is then in default under the Purchase Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

Sponsor will endeavor in good faith to sell all of the Units in a timely manner however,

there is no certainty as to the period of time required to sell all of the Units. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor shall be bound by Sponsor's representations regarding its commitment to sell Units. Sponsor's construction financing does not contain a minimum number of units to be sold before the Plan can be declared effective or provisions relating to the renting of Units. The Sponsor may decide to rent certain Units from time to time. Therefore, it is likely, but there is no guaranty, that the Unit Owners will obtain control of the Board at the expiration of the Initial Control Period (as such term is defined in the Condominium By-Laws).

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any 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 personality or fixtures contained therein.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

Obligations of Sponsor hereunder shall be enforceable by the Board on behalf of Unit Owners and obligations with respect to the Common Elements shall be enforceable by the Condominium Board on behalf of all Unit Owners. Sponsor shall have no obligation to any Purchaser of a Unit other than the Purchasers to whom Sponsor sold Units.

Except as set forth above or as required by law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan which are to be performed after closing, shall survive the delivery of the respective Unit deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Sponsor has obtained construction financing and anticipates obtaining a permanent certificate of occupancy for the Building within two (2) years after the First Closing provided, however, that the permanent certificate of occupancy cannot be obtained until all the Units are completed. Sponsor will endeavor in good faith to sell all of the Units unless otherwise specified in the Plan. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. The construction financing contains minimum release prices set by lender and a required minimum

payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold.

2. **Alterations of Unsold Units**

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to: (i) make alterations, additions, improvements, replacements and/or repairs whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit(s); (ii) change the use (subject to compliance with all Laws, including, without limitation, the certificate of occupancy for such Unit) or layout of, or number of rooms in, any Unsold Unit(s) from time to time; (iii) change the size and/or number of Unsold Unit(s) by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting an Unsold Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Units, or otherwise; (iv) whether in respect of subdivisions or combinations of the Unsold Units or otherwise, designate all or any part of an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Unit or Common Element (v) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (vi) use any Unsold Unit(s) as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations as to any such use. Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless Sponsor, in the amendment disclosing such change, offers the affected Purchaser(s) the right, for at least fifteen (15) days after the Presentation Date, to rescind their Purchase Agreement(s) and receive a prompt refund of their Deposit(s), together with all interest earned thereon. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan.

Notwithstanding the foregoing, no material adverse change will be made in a Unit's size, layout or percentage of Common Interest if a Purchase Agreement has been executed and delivered to Sponsor for such Unit (and, in the case of a Non-Tenant Purchaser, such Purchase Agreement has been countersigned by Sponsor and returned to the Purchaser), provided that the Purchaser is not in default thereunder, unless (a) the affected Purchaser consents to such changes; or (b) such changes are dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases,

reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists. In the event material adverse changes are made pursuant to (b) of the immediately preceding sentence which materially and adversely affect the percentage of Common Interest allocable to a Unit or the size or quality of Common Elements, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) who are not otherwise in default under their Purchase Agreements, the right, for at least fifteen (15) days after the Presentation Date, to rescind their Purchase Agreement(s) and receive a prompt refund of their Deposit(s), together with all interest earned thereon.

The Common Interest of a Unit may change if there is a change in the floor space or 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 a particular Unit.

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

3. **Insurance**

Sponsor will initially procure on behalf of the Condominium Board, to take effect on or before the date of the First Closing, the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By Laws (see "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I below), the cost of which insurance has been reflected in the Budget set forth as Schedule B in Part I. To the extent any policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Condominium Board for the Condominium in respect of any period following the First Closing, the Condominium Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

4. **Casualty**

If the Purchaser is or becomes the tenant or occupant of a Unit before the Closing and, before such Closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees or workmen. Otherwise, the risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of a Purchase Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or

receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

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

5. **Dissolution**

In the event of the dissolution or liquidation of Sponsor, or the transfer of ten (10) or more units or twenty percent (20%) or more of the total number of units in the Condominium, whichever is less, to a single Purchaser, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan and applicable Legal Requirements.

6. **Successors to Sponsor**

Sponsor reserves the right to sell ten (10) or more Units and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" as more fully described in the Plan.

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

Sponsor has retained and expressly reserves all excess air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the Property both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, at which time Sponsor will continue to own any Air Rights not used in connection with any renovation of the Building prior to the First Closing. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, Sponsor, as a result of such reservation, may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Air Rights reserved by Sponsor will not be used subsequent to the First Closing to add additional floors to the Building. Except in the case of a sale or transfer for use in

connection with other properties, the reserved Air Rights will be used in the Property after the First Closing solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with any renovation of the Building in accordance with the Plan. In the event such Air Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

8. **Right of Access**

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

9. **Miscellaneous**

Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or as a common recreational area for the Unit Owners; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely 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 solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees 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 be subject to such easement. The Unit Owners will not have any interest in the rents, profits or revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing (or until no Unsold Units remain, if earlier), to use, without charge, portions

of the Building, including the Common Elements, for exhibitions, events and/or promotional functions (e.g., with respect to any sales programs for Unsold Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

10. **General**

Sponsor's representations, warranties and covenants under the Plan and under the GBL, which are required to be performed subsequent to the closing of title to a Unit will survive the delivery of the deed to such Unit only for the time periods set forth in this Plan or as otherwise required by Legal Requirements. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Units will survive for as long as Sponsor owns the same.

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

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

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

Until Sponsor no longer controls the Condominium Board, Sponsor will cause the Condominium Board to maintain the Building in substantially the same manner and condition as on the Presentation Date of this Plan (subject to ordinary wear and tear) and in accordance with the Legal Requirements, subject in all respects to Sponsor's right to change the Units and/or the Common Elements as set forth herein.

## S. CONTROL BY SPONSOR

Sponsor as the owner of Unsold Units will, at its option, have voting control of the Condominium Board during the period which continues until the later to occur of: (i) the Sponsor and its designees as Holders of Unsold Units own less than five percent (5%) of the aggregate Common Interests pertaining to all Units or (ii) five (5) years after the First Closing (the "Initial Control Period"). During the Initial Control Period of the Condominium Board, Sponsor would be able to control maintenance, facilities and services to be provided to Unit Owners and would determine the Common Charges to be paid by all Unit Owners and the enforcement of Sponsor's obligations by said Board(s). Within thirty (30) days after the end of the Initial Control Period, the Condominium Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not les than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the the Condominium Board.

During the Initial Control Period, the Condominium Board shall each consist of three (3) persons designated by Sponsor. During the Initial Control Period, Sponsor reserves the right to designate fewer than three (3) persons to the Condominium Board.

Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons and each member of the Condominium Board shall have an equal vote. The number of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Board as a result of its ownership of or interest in Unsold Units. Sponsor shall retain voting control of the Condominium Board if Sponsor and its designees are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least one (1) Unit, shall also have the right, at its option, to designate at least one member of the Board.

Until Sponsor or its designee has conveyed title to ninety-five percent (95%) of all the Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, Contingency for Repairs or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (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, (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 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, and no other alternative is available, to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

During the Initial Control Period, Sponsor may not exercise veto power over expenses described in the Section entitled "Budget for First Year of Condominium Operation, Schedule B" (the "Budget") or over expenses required (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer; or (iv) over any matter affecting the health and safety of the occupants of the Condominium. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than five percent (5%) of the common interest, whichever is sooner.

Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan for a period of time after the First Closing (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to the Resident Manager's Unit). Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners, terminate the Waiver Period, which notice shall be disclosed in an amendment to the Plan.

If Sponsor shall exercise its right to waive collection of Common Charges as set forth above, Sponsor shall disclose such information in the post-closing amendment to the Plan and shall also set forth the anticipated length of the Waiver Period. Sponsor shall also file an amendment to the Plan disclosing the expiration of the Waiver Period at least thirty (30) days prior to such expiration. During any such Waiver Period, Sponsor will timely pay all expenses of the operation of the Condominium, including but not limited to insurance premiums and reserve fund payments required by lenders, if any. Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of Common Charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same.

## T. CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by a three (3) member Condominium Board, which, during the Initial Control Period, shall be designated by Sponsor.

Within thirty (30) days after the end of the Initial Control Period, the Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date. At the First Annual Meeting, the incumbent Board members shall resign and the Unit Owners shall elect a new Board consisting of five (5) members. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. Commencing with the First Annual Meeting, the Board shall consist of five (5) persons and each member of the Condominium Board shall have equal votes.

Special meetings of the Unit Owners can be called by the President of the Board, by a majority of the Board, or by a petition signed by 25% in Common Interests of Unit Owners.

Except for Board members designated by Sponsor or its designee, all members of the Board must be either Unit Owners or certain interested parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Board shall continue to serve on the Board if, during his term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation.

The 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.

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the five (5) member Board, subject to any rights of Sponsor to designate or elect Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Board shall mail a notice of each annual or special meeting of the Condominium to all Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast a vote equal to its percentage interest in the Common Elements.

The initial members of the Condominium Board shall be Ian Bruce Eichner, Chris Grimaldi, and Michael Merola. Ian Bruce Eichner shall serve as President, Chris Grimaldi shall serve as Vice President, and Michael Merola shall serve as Secretary, of the Condominium. Each of these individuals is a principal of or is affiliated with the Sponsor or its principals. The Condominium Board may appoint additional officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board.

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

A member of the Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of a majority of Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Board shall continue to serve on the Board if, during his or her term of office, said member shall cease to be a Unit Owner or an interested party; provided, however, that this provision respecting Unit ownership and Board membership shall not apply to members of the Board designated by Sponsor or its designee.

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

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in the projected budget for the first year of Condominium operation contained in Schedule B. The By-Laws provide to the extent permitted by applicable Law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member, against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

Generally, subject to certain exceptions concerning, among other things, Sponsor, and Unsold Units, and provided that required consents of the Mortgage Representatives, as defined in the Declaration, if any, are obtained, any provision of the Declaration, By-Laws or Rules and

Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Sponsor or its designee or the owner of any Unsold Units with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

## U. UNSOLD UNITS

Any Units that have not been subscribed to and fully paid for prior to the Closing are Unsold Units. Sponsor, and other individuals designated to hold Unsold Units by Sponsor, will be known as the holder(s) of Unsold Units. At or prior to the Closing, all of the Unsold Units will be acquired by Sponsor or by other financially responsible individuals. Units will cease to be Unsold Units once purchased for occupancy or if a holder of Unsold Units, a principal of Sponsor or a person related by blood or marriage to a holder of Unsold Units or a principal of Sponsor takes occupancy of the Unit to which the Unsold Units are allocated. The Sponsor or other holders of Unsold Units will collect the rent on the Unsold Units and pay the common charges and real estate taxes on the Unsold Units as well as the debt service on any mortgage that is a lien on the Unsold Units. In the event that the Unsold Unit is unrented, subject to rent abatement, or the rent is less than the aggregate of the Common Charges, real estate taxes and debt service, the Sponsor or holder of Unsold Units will be required to fund the difference from other source.

A holder of Unsold Units shall comply with the trust fund and escrow provisions of GBL sections 352-h and 352-e subdivision (2-b).

Sponsor represents that it has the financial resources to meet its obligations with respect to the Unsold Units, which it intends to fund in part from projected sales of the Units and from rents collected from tenants in the Units whose Unit it holds. Sponsor has agreed that if a holder of Unsold Units fails to fulfill its obligations under the By-Laws, Sponsor will be liable therefor until such time as the Unsold Units cease to be Unsold Units (at which time Sponsor will no longer be responsible for the performance of the obligations under the By-Laws). The Condominium will have a lien on all Unsold Units to secure the payment of their obligations. Sponsor has furnished no bond or other security, and Sponsor's ability to perform will depend solely upon its financial condition if and when called upon to perform.

Unsold Units may be sold and assigned by their holders, and the corresponding Units sublet, without the consent of or requesting or obtaining a waiver of the right of first refusal from, the Condominium Board and without payment of or incurring any charge imposed by the Managing Agent or the Condominium Board in connection with such sale or sublease. Among other rights, a holder of Unsold Units shall have the right to mortgage the Unsold Units as collateral for a loan.

As of the date of the initial presentation of the Offering Plan, the Property is encumbered by a mortgage, which the Sponsor anticipates will be paid from proceeds from the sale of Units. At each Closing, the lender will release its security interest on the Unit that is closing and the lender will continue to have a security interest on the Unsold Units and their appurtenant Common Interests.

A holder of Unsold Units will have the same right as Sponsor to change the size and/or layout of the Unit(s) into two (2) or more Units or to combine all or any portion of any such Unit(s) into one (1) or any desired number of Units by duly filed amendment to this Plan. A resulting reallocation of common interests shall be based upon the criteria contained in RPL 339(i), but the total number of common interests reallocated shall remain the same. Changes in a

Unit's layout will be made in compliance with applicable law, ordinances, orders, rules and regulations. A holder of Unsold Units may use an Unsold Unit as a model or sales or rental office.

A holder of Unsold Units will amend the Plan to provide current and accurate information about the offering, including the same information about the holders of Unsold Units as is required for principals of Sponsor, until the Unsold Units have been sold to bona fide purchasers or have otherwise ceased to be Unsold Units. A holder of Unsold Units will also provide prospective Purchasers with a copy of the Plan and all filed amendments.

## V. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE CONDOMINIUM BOARD

### 1. Sales and Leases of Units

Each Unit Owner may sell or lease his or her Unit provided such Unit Owner (the "Transferor") first gives the Board, on behalf of all Unit Owners, notice of his or her intention to sell or lease such Unit and an opportunity to purchase or lease such 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 Article 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within twenty days after receipt of the offering Unit Owner's notice, the Transferor will have an additional sixty days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in said notice. In the event such written agreement is not executed by the Transferor within said sixty-day period or such sale or lease is not consummated within an additional sixty days following the expiration of said sixty-day period, the Transferor will be required to again first offer the same to the Board, provided that the Board shall be entitled to waive, or to permit an extension of, either or both of such sixty day periods. The Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. In any vote of all the Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Board for the purpose of determining whether the Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Notwithstanding the foregoing, the Board has the right to reject sales and leases to purchasers and tenants who themselves (or residents of their Units) have diplomatic immunity or have been convicted of violent crimes or child molestation without being required to exercise the right of first refusal.

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

Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board, and that the Board, if permitted by applicable 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. No lease of a Unit shall have a term of less than one (1) year.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board.

The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant Common Interest. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

A Unit Owner may lease, sell or convey his or her Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling; may convey his or her Unit by gift; may devise his or her Unit by will; or may have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the preceding restrictions. In addition, any Unit Owner may lease, sell or convey his or her Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

The restrictions upon the sale and lease of Units shall not apply to Sponsor, the Sponsor's mortgagee or their designees with respect to any Unsold Units, to the Board, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Board.

A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements, (b) any Unit or Units acquired by the Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Condominium.

No part of the 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 Unit Owners.

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

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

2. **Use of Units**

A Unit may be used as a residence or for any lawful purpose, provided such use does not violate the then existing certificate of occupancy or the deed restrictions covering such Unit and complies with all applicable governmental regulations.

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. The Unit Owner, or the Board at such Unit Owner's expense, shall install the required window guards in all windows of the Unit. The Unit Owner shall maintain all window stops installed in the windows of each Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. The portion of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance and must be compliance with the Project Standards.

Sponsor or its designee may, without the permission of the Board (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing certificate of occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium.

The current zoning law permits a person who resides in a Unit to use up to 25% of the floor area of his Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant may be accommodated in a Unit, except in Unsold Units, as permitted by law.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Unit or that violate the Project Standards, except that these sign restrictions shall not apply with respect to Unsold Units.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building without prior written approval of the Board. No radio or television aerial, satellites or other similar device shall be erected by Unit Owners on the roof or exterior walls, windows or terraces of the Building or on the Property without obtaining in each instance the written consent of the Board.

No more than two (2) domestic animals may be kept in a Unit without the consent of the Board or the Managing Agent. No pet shall weigh more than 35 pounds or be of a breed or type generally considered dangerous to humans. Each Unit Owner who keeps any type of pet in his or her Unit will be required to: (a) indemnify and hold harmless the Condominium, the 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 reasonable Rules and Regulations of the Board adopted with respect thereto; and, (c) clean up after their pet.

Each Unit Owner shall keep his or her 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 his or her own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective.

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

Each Unit Owner may mortgage his or her Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him or her. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage or other standard forms of mortgage, except for such changes or additions as may be required to permit a lender to make the loan (provided that this shall not apply to the mortgages of Sponsor, its designees or affiliates), (b) the applicable 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 his or her Unit, other than Permitted Mortgages.

As more particularly set forth in the By-laws, in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three 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 its designee and any mortgagee of Sponsor, its designee or affiliates, (ii) a bank, trust company, insurance company, real estate investment, mortgage trust, investment bank, trustee of a securitization or any other mortgagee, generally in the business of making real estate condominium loans, or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

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

Common Expenses, which are payable only by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. Common Expenses shall include, without limitation, such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The respective Common Interests of each Unit, as estimated by Sponsor, are based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of

the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. Common Expenses include, among other things, 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. Common Expenses may include amounts for certain other items as the Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Board of any Unit.

Common Expenses which include, among other things, the 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 and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, managing agent fees and legal and accounting fees will be determined by the Condominium Board. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements.

In the event that the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Condominium Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Unit Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners.

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to the Unit Owners to meet such expenses.

The 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 Board, Common Charges will be payable monthly in advance on the first day of each month.

Notwithstanding anything to the contrary contained in the By-Laws, so long as Sponsor or its designee shall continue to own at least one Unsold Unit but in no event later than five years from the First Closing, the Condominium Board may not, without Declarant's prior written approval assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund.

5. **Common Charges: Collection and Lien for Non-Payment**

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the 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 appropriate Board to recover unpaid Common Charges without foreclosing such lien.

The Condominium Board may make any lien against a Unit Owner effective pursuant to Real Property Law §339-aa. The Sponsor will cause the Board to file a lien as provided in RPL §339-aa on a Unit owned by Sponsor if the Sponsor is more than thirty (30) days in arrears in paying Common Charges while Sponsor controls the Board.

No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-Laws, (a) a Unit Owner may, by conveying his or her Unit without consideration to the Board and complying with certain conditions in connection therewith, exempt himself or herself from Common Charges.

On a resale of a Unit, the seller thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to his or her acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement (an "Estoppel Letter") from the Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor 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 Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

## 6. Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine maintenance, repairs and replacements, (a) in or to any Unit (other than to the Common Elements included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense. Notwithstanding the foregoing, any repairs by Unit Owners to the incremental heating and air conditioning units within each Unit shall only be made by contractors or servicemen who have been previously approved by the Board.

The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior of the windows are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The exterior of the windows shall be washed by the Condominium. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Board at the sole cost and expense of the owner of such Unit (unless such breakage is caused by the Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the responsible Board or 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 appropriate Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his or her Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the Section entitled "Rights of Access").

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 Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or the Board.

In addition, the Rules and Regulations require that at least eighty percent (80%) of the floor area of Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

## 7. Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his or her Unit without the prior written approval of the Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the appropriate Board. The Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

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 Unit, the Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done.

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 or improvement to be made in a Unit, unless approved and executed, if necessary, by the 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 Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unsold Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units, and Common Elements as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney to be executed by each Unit Owner upon acquisition of a Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or permanent certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor, the Condominium Board, the Unit Owner shall restore the

Unit or complete the work, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Notwithstanding anything contained in the By-laws to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

Generally all alterations or improvements in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense.

Sponsor, without the consent of the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Unit or the Common Elements provided that the work is performed by Sponsor in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability of Units for sale or rental including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

To promote a consistent aesthetic appearance of the Building, each Unit Owner will be required to install window treatments having a white colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Condominium Board.

8. **Rights of Access**

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendents and other persons authorized by the Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized

agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing work listed on the executed inspection statement or for the purpose of performing or completing construction in the Building.

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

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Pursuant to 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 Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

10. **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, but not more frequently than once each quarter.

11. **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 with respect to any damage to or destruction of the Common Elements, 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 said damage or destruction by fire or other casualty affects the Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Common Elements bears to the total cost of repairing all damage or destruction. 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 his or her share of such funds such amounts as may be necessary to reduce unpaid liens on his 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 three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not 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. In either event, no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. This option must be exercised within sixty (60) days after the insurance proceeds are

paid and must close within ninety (90) days thereafter.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Board entitled to adjust such loss in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to the Construction Lender, or its successors or assignees while it holds a mortgage on the Property or any Unit and, thereafter, to a New York City bank or trust company 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.

12. **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 insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to the aggregate 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 the 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. Each Unit Owner shall be an additional insured.

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 of the Unit Owners shall be in at least the sum set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

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 such Board may from time to time determine, covering (1) the Board, the Managing Agent or agents thereof, each 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 his or her own Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions between them, with due consideration to their respective risks, liabilities and replacement values, as are equitable (as determined by the respective insurance carriers thereof or their agents, brokers or such other parties designated by the Condominium Board).

The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board from time to time and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners as insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

## 13. Liability of 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 or Unit Owners, and the Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners, if applicable) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit

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

14. **Reports to Unit Owners**

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners within four months after the end of each fiscal year.

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 provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

16. **Units Acquired by the Condominium Board**

All Units acquired or leased by the Board or its designees shall be held by the Board, or its designee, on behalf of all Unit Owners, and the rent or purchase price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Board or its designees, on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his or her respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws

and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

17. **Procedure to Review Real Estate Tax Assessments**

The Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

18. **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 individual Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board or the Managing Agent for the Common Elements.

19. **Litigation**

The Condominium Board shall not bring any litigation except to enforce the Declaration or By-Laws without first receiving the written approval of the owners of two-thirds of the Units and the owners of two-thirds of the percentage interests in the Common Elements.

20. **Easements and Name of Condominium**

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Board and the adjacent property owners. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements. Sponsor shall have an easement to erect, maintain, repair and replace utility and other lines through the Building to erect, maintain, repair and replace utility and other lines.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "45 East 22nd Street Condominium". Any and all rights and interests appurtenant

to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Board or any Unit Owner.

21. **The Declaration and By-Laws**

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

## W. 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 non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay his or her pro rata share (in the proportion that his or her Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Unit Owners for the first year of Condominium operation will total approximately $4,387,955 based on an estimate prepared by Marcus & Pollack LLP dated September 3, 2014, which assumes (a) an estimated taxable assessed valuation for the Property of $34,134,230 for the 2017/2018 fiscal year and (b) a projected tax rate of 12.855%.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The estimate of the taxes for each Unit has been determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the projected sales price of each Unit as set forth in the the Plan by the total aggregate projected sales price of all Units. Please refer to the opinions of Holland & Knight LLP and Marcus & Pollack LLP as set forth in Part I of the Plan for further discussion regarding real estate taxes for the residential portion of the Property.

Prior to the issuance of separate tax lots, the real estate tax estimates for each Unit will be determined by multiplying the total taxes due with respect to the Units by a percentage derived by dividing the Common Interest of each Unit by the total Common Interests of all Units. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's percentage interest in the Common Elements rather than purchase price, or some combination of the two, and if so, Units having the same percentage interest may pay different real estate taxes.

The By-Laws provide that the Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual

increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

No guaranty or assurance is given that (i) any of the assumptions described above will be valid, (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount, (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment or (iv) the Real Estate Tax Assessment Bureau of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the values used by Sponsor's real estate tax consultant for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

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

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

Real estate taxes will be adjusted between Sponsor and each Purchaser at the closing of title to each Unit based on the period for which real estate taxes have been prepaid by Sponsor

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

## X. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units by purchasers who use such Units as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Holland & Knight LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

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

HOLLAND & KNIGHT LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THIS PLAN.

### 1. Deductibility of Mortgage Interest and Real Estate Taxes

Each Unit Owner will own his or her Unit and its appurtenant interest in the Common Elements in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner will own his or her 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 Holland & Knight LLP that a Unit Owner who uses his or her Unit as a personal residence and itemizes his or her 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 those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and to the overall allowance of itemized deductions.

### 2. Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," 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 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 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. Assuming 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. Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income. 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 regulations relating to entity classification, which were adopted by the United States Treasury Department on December 17, 1996.

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 Holland & Knight LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Holland & Knight LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

## Y. TAX OPINION OF HOLLAND & KNIGHT LLP

# Holland & Knight

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**To ensure compliance with the Internal Revenue Service Circular 230 disclosure requirements, we inform you that the United States federal tax advice contained herein (i) is written in connection with the promotion or marketing by others of the transactions or matters addressed herein, and (ii) is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. tax penalties. Each taxpayer with respect to the subject matter addressed herein should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.**

January 8, 2014

East 22nd Street Acquisition Holdings LLC
c/o The Continuum Company LLC
30 West 21st Street
New York, New York 10010

**Re: Condominium Offering Plan**
**45 East 22nd Street Condominium (the "Condominium")**

Ladies and Gentlemen:

1. You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the Residential Units for residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of (i) the ownership of Residential Units by corporations, other entities or foreign persons, (ii) ownership of the Unsold Residential Units, any Residential Unit that is used for mixed residential/non-residential purposes, or any Units other than the Residential Units (such as the Non-Residential Units), or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

2. In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that

the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

3. Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the real estate tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300.

4. Accordingly, based on the foregoing, it is our opinion that an owner of a Residential Unit who itemizes his or her deductions will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

5. A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of

interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

6. Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Moreover, if an individual's New York State and New York City adjusted gross income exceeds $1,000,000, then no New York State or New York City itemized deductions are allowable for the mortgage interest and the real property tax payments. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

7. If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses) directly connected with the production of such income).

8. To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

9. Based on the information contained in Schedule A to the Plan, which shows that 85.62% of the total square footage of all Units of the Condominium will be contained in the Residential Units, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. In making that

determination, we note that the Condominium has not been constructed and that either a small decrease in the square footage of the Residential Units from that shown in Schedule A to the Plan, or a small increase in the square footage of the Non-Residential Units from that shown in Schedule A to the plan, or a combination of both, when constructed may cause the square footage of all Residential Units of the Condominium to be less than 85% of the total square footage of all Units. If that should be the case, the Condominium will not be eligible to elect to be treated as a homeowners association. Based on the information contained in Schedule A to the Plan and assuming (i) the actual gross income and expenditures of the Condominium for its taxable year ending December 31, 2017 (the "2017 Taxable Year") are the same (or, are in the same proportions) as the estimated gross income and expenditures for the Condominium's first year of operations, as set forth in Schedule B to the Plan, (ii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iii) there are no changes in the facts and/or the relevant provisions of current law, the Condominium should be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2017 Taxable Year. In making that determination we also note that Schedule B to the Plan lists qualifying expenditures (the 90% test discussed in (3) above) for association property, essentially property attributable to Residential Units, at 91.9% of total expenditures in the 2017 Taxable Year. To the extent that actual expenses for association property decreases by a small amount in the 2017 Taxable Year, or the expenses for non association property increases by a small amount in the 2017 Taxable Year, or a combination of both occurs, such increases or decreases may cause total expenditures for association property to be less than 90% of total expenditures in the 2017 Taxable Year. If such increases or decreases result in association property expenditures that are less than 90% of total Condominium expenditures, the Condominium will not be eligible to elect to be treated as a homeowners association for the 2017 Taxable Year.

10. Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board and the Residential Board (the "Boards") will each act as the agent of the Unit Owners represented by each such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium through the Board collecting such charges. If, however, the Condominium is properly considered a separate entity and is not incorporated under New York State law, the Condominium may elect to classify itself as a corporation. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium does not elect to be treated as a corporation and is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

11. The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

* * * * * * * * * * * * * * * * * * * * *

12. We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS, any state or local tax authority, or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Holland & Knight LLP, the Boards, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

13. **Internal Revenue Service Circular 230 Disclosure**

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

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

Very truly yours,

Holland & Knight LLP

Holland & Knight LLP

## Z. 339-I OPINION OF HOLLAND & KNIGHT LLP

# Holland & Knight

31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

January 8, 2014

East 22nd Street Acquisition Holdings LLC
c/o The Continuum Company LLC
30 West 21st Street
New York, New York 10010

**Re: 45 East 22nd Street Condominium**
**45 East 22nd Street**
**New York, New York (the "Condominium")**

Ladies and Gentlemen:

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

2. In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Penmark Management, LLC as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Penmark Management, LLC.

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

4. Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion,

while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Holland & Knight LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

5. The opinion expressed herein is based solely on New York law.

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

Very truly yours,

Holland & Knight LLP

## AA. REAL ESTATE TAX OPINION OF MARCUS & POLLACK LLP

# MARCUS & POLLACK LLP

ATTORNEYS AT LAW

INCLUDING PROFESSIONAL CORPORATIONS

708 THIRD AVENUE

11TH FLOOR

NEW YORK, NY 10017-4112

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JOEL R. MARCUS

ROBERT M. POLLACK

PHILIP H. AZARIAN

BRUCE A. BRASKY


September 3, 2014

East 22nd St. Acquisition Holdings LLC
c/o The Continuum Company, LLC
30 West 21st Street, 11th Floor
New York, New York 10010

Re: Estimated Real Estate Tax Projection
45 East 22nd Street
Manhattan, Block 851, Lot 32

Dear Gentlemen:

Pursuant to your request, we have reviewed the information furnished by your office regarding the above-referenced development project as a residential condominium apartment building. You have asked us to estimate the real estate tax liability applicable to the development project consisting of 83 individually assessed residential condominium units upon completion of construction.

Real property tax assessments are subjective determinations made by individual assessors within the New York City Department of Finance ("DOF"). Accordingly, it is impossible to predict what the assessed value of the above-referenced property will be. However, it is possible to estimate an approximate assessed value of a property based upon an analysis of the factors that influence market value, such as time, location, construction cost, neighborhood quality and economic trends.

Real Property Tax Law Section § 581 requires that DOF assess residential condominiums without regard to their form of ownership. This requirement has been interpreted to mean that cooperatives and condominiums are to be assessed as if they were rental properties, thus requiring a valuation based upon the capitalization of income utilizing rents imputed from comparable rental properties.

In estimating the assessed valuations herein, we therefore examined comparable rents from other newly constructed apartment buildings in the area of the Project. In addition, we have also studied the assessed valuations of newly constructed residential buildings throughout Manhattan.

These comparable assessment studies have enabled us to ascertain the current assessing policies of the City of New York with regard to newly constructed residential buildings. However, there are no assurances that these policies will remain unchanged, or that the indicators of market value will not be adjusted prior to the completion of the referenced project, resulting in an assessment differing from the estimate contained herein.

In deriving our projected valuations, we have considered both the capitalization of income based upon comparable rents as well as the assessed valuation studies. For our estimate we have relied primarily on the study of assessed valuation of newly constructed residential buildings. All prospective purchasers are advised that although our estimate of the property's assessed valuation upon completion is a good faith estimate; the assessment when actually made may be less or substantially greater than as estimated herein.

You have advised us of the following facts regarding the project:

1. East 22nd St. Acquisition Holdings LLC will develop the property at 41-45 East 22nd Street, New York, New York.

2. The site originally consisted of two tax lots identified as Manhattan, Block 851 Lot 32 and 34. As of the Final Assessment Roll for tax year 2014/15, the tax lots 32 and 34 were merged into the single tax lot 32.

3. The property will be one building with 83 separate residential condominium tax lots, one for each residential unit.

4. The property is to be developed as a new 62-story multiple dwelling containing approximately 83 separately assessed residential dwelling units. The new building will contain a total of approximately 262,571 gross square feet of space to be used as residential spaces.

5. You have advised us that construction will commence through excavation and the pouring of initial footings and foundations in July, 2014 and that construction of the project will be completed by June 30, 2017.

6. The first year of condominium operation is scheduled to extend from July 1, 2017 through June 30, 2018. As this corresponds to the City's 2017/18 tax assessment year and real estate taxes will be based on 12 months of tax year 2017/18.

There are three recognized appraisal methods which are employed by the Real Property Assessment Department to determine the full market value of income producing real property. These methods are the original cost method, capitalization of income approach and the sales

price comparison method. The original cost method is based on the theory that the value of a given property is reflected by its cost of construction plus the acquisition cost of the underlying land. This method of valuation is considered a significant indicator of value with respect to new buildings. Relevant data used in the cost method includes material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees and construction period taxes ("soft") costs.

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property. The Department of Finance has also used gross income multipliers to value residential property. However, the Department of Finance has recently indicated that they will no longer utilize this approach to value this type of property.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. However, the addition of sale prices of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation (see New York State Real Property Tax Law §581, and Real Property Law §339-y).

Since tax year 1982/83, Real Property Tax Law §1805(3) has mandated that increases in assessed valuation must be phased in over a five year period, resulting in a "transitional assessment". However, the statute requires the Finance Department to include all physical (new construction, renovation, rehabilitations, or additions of square footage to existing structures) changes directly into the taxable assessed valuation without the five-year phase-in. The "actual assessment" is the target value which will be reached at the end of the five year period, assuming the assessment is not increased in the interim. Taxes are payable based upon the lower of the two values.

In arriving at the assessed valuation for each unit in the Condominium, the building is first assessed in its entirety. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the condominium Declaration has been recorded with the office of the City Register. In the past, the apportionment was based in part upon the proportion of the projected selling price presented in the Offering Plans for each residential units bears to the gross sellout price for all residential units available for purchase in the project (hereinafter, "Proportionate Valuation"), and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases, if any, on particular units. However, more recently, the Department of Finance has allocated assessed values for the residential units within a condominium by taking into consideration each unit's respective percent interest in the common elements.

We make no representation that the Department of Finance will use any particular method to apportion assessed valuation among the units.

The most recent and currently available tax rate for residential real property is 12.855% and for commercial property is 10.684%. For purposes of the following projections, we have assumed that these overall rates will remain in effect for the 2016/17 and 2017/18 tax years.

**Discussion**

The first year of condominium is scheduled to extend from July 1, 2017 through June 30, 2018. This period corresponds with portions of the City's 2017/18 tax years. The real estate taxes due for the first year of condominium operation will therefore be based on the assessed values of the tax lot for twelve (12) months of tax year 2017/18. For purposes of this analysis we have estimated that the 2017/18 assessed value will reflect an assessed value when the building is estimated to be assessed as a completed building.

**Estimated Real Estate Taxes During Construction for Tax Year 2016/17**

We have estimated that as of the January 5, 2016 taxable status date governing the 2016/17 assessment roll, the property will be assessed as a residential building and as 75% completed. The estimated total Actual assessed value is $25,600,673. We have estimated the total taxable assessed of $25,600,673 for 2016/17. Applying the estimated overall Class 2 tax rate for 2016/17 at 12.855% to the estimated taxable assessed value of $25,600,673, we estimate annual real estate taxes for 2016/17 fiscal tax year at $3,290,907.

**Estimated Real Estate Taxes Upon Completion of Construction (Tax Year 2017/2018)**

As construction is expected be completed by June 30, 2017 with a taxable status date of January 5, 2017 for the 2017/18 tax year, we estimate that the property will be assessed as if the construction was completed on January 5, 2017. The 2017/18 assessed valuation will be the first assessment roll to reflect a completed building. After consideration of all relevant factors, we estimate that for the whole condominium building, the Actual total assessed value will be $34,134,230 and the total taxable assessed value to be $34,134,230. The overall average per square foot of $130 per square foot for the 262,571 gross square foot condominium project.

Applying the estimated overall Class 2 tax rate for 2017/18 at 12.855% to the estimated taxable assessed value of $34,134,230 we estimate the annual real estate taxes for the 2017/18 fiscal tax year at $4,387,955 of which 12 months or $4,387,955 will fall within the first year of condominium operations.

**Estimated Real Estate Taxes for the First Year of Condominium Operation July 1, 2017 to June 30, 2018**

For the first year of condominium operation covering the period July 1, 2017 through June 30, 2018, the real estate taxes will be based on the 12 months of tax year 2017/2018. The estimated real estate taxes liability for the first year of condominium operation is as follows;

July 1, 2017 to June 30, 2018
(12 months of tax year 2017/18)

$34,134,230 x 12.855% = $4,387,955

Estimated Real Estate Taxes for the first year of Condominium operation is $4,387,955

**Estimated Real Estate Taxes for the Condominium Operation upon Completion of Construction is $4,387,955**

In deriving our assessed valuation projections, we have studied the assessed valuations of similar recently constructed buildings throughout Manhattan. In addition, we have also examined market residential rents and have made value estimates based upon the income capitalization method of valuation. For our projection, we have placed greatest weight on the comparable assessment study. The comparable gross assessment studies generally indicate that the City's assessments of newly constructed residential condominiums are often lower than what would normally be indicated by capitalization of imputed income utilizing comparable market rents or what would be indicated by the cost approach to valuation. We therefore caution that if DOF were to base assessed valuation solely on the capitalization of residential rents at current market levels, the gross income multiplier approach, or were to adopt the cost approach as its basis for valuation, the resulting assessments could be significantly higher than the values estimated herein.

The above projections are estimates and do not take into account any future increases in the level of assessed valuation applied to residential and commercial property or any increase in the real estate tax rate. The above projection is based upon our understanding of the policies, procedures and practices of the DOF and is not intended to be a guarantee or assurance that the tax assessments herein listed will be attained. While we believe our projections are well founded, they are not intended, and should not be construed as representations or warranties that the assessment and taxes will be determined as set forth herein. The foregoing analysis is based upon our experience with DOF and the Tax Commission of the City of New York, and their assessment practices regarding newly constructed residential properties. Application of a particular approach to valuation by an individual assessor may yield a significantly different result.

No representation is made that the current policies and practices of the DOF will apply at the time the building is completed. You should be aware that the laws, regulations, policies and practices of the DOF upon which this projection 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 or more agencies of the City of New York, or courts of competent jurisdiction.

This letter was prepared at the request of East 22nd St. Acquisition Holdings LLC. The figures set forth herein are approximations derived from material submitted by East 22nd St. Acquisition Holdings LLC and are subject to variation. No government agency has passed upon these figures and we offer no warranties on real estate taxes for any period.

Very truly yours,

Marcus & Pollack LLP

Marcus & Pollack LLP

MP/sm

## BB. WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of each Unit shall be required to make a contribution at the Closing of his Unit(s) to the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit(s). No reserve fund is being established for the Condominium.

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

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

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the 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) management fees; and

(10) other customary adjustments.

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

The Working Capital Fund will be held and used for the items described in 1-10 above, and to pay for repairs and replacements to the Common Elements may be augmented by allocations from the monthly Common Charges collected from each Unit. While Sponsor controls the Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges.

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 or Common Charges attributable to Unsold Units.

In the event that capital expenditures for renewal or replacement of building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, a Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

## CC. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

### 1. Management Agreement

The Condominium Board will enter into a management agreement with Halstead Management Company LLC, a company organized under the laws of the State of New York, authorized to conduct business in the State of New York, and having a New York address at 770 Lexington Avenue, New York, NY 10065, as the Managing Agent, with respect to the Building at or prior to the First Closing. The principals of the Managing Agent are not affiliated with Sponsor or its principals.

The management agreement provides for a term of three (3) years, with one (1) year renewal, subject to the right of either party to cancel upon sixty (60) days prior written notice, with or without cause.

The Managing Agent will receive an annual fee of $60,000 payable in equal monthly installments of $5,000 for the first two (2) years and $61,800 for the third (3rd) year. The Board shall also pay the Managing Agent $400.00 per month for expenses incurred at the Managing Agent's office such as postage, photocopying, long distance telephone calls, payment envelopes, facsimiles, etc. In addition, the Managing Agent shall receive the following per Unit payments for the preparation , distribution and processing of the following required forms and filings: (i) $5.00 per Unit for Window Guards; (ii) $7.00 per Unit for Fire Safety Plans; (iii) and $6.00 per Unit for Tax Abatement Credits.

In addition to the compensation paid to the Managing Agent by the Board, the Managing Agent shall be entitled to receive the following compensation from Unit Owners for the Managing Agent's services rendered to Unit Owners:

(1) For the Processing of Purchase and Lease Applications. Managing Agent may charge the Unit Owners who make an application to lease their Units or sell their Units or the applicant(s) a processing fee in the amount of $500.00, which fee may be increased to cover the costs of additional or special consumer reports in the event they are required and photocopy and messenger costs, if any. In the event that Managing Agent attends a closing on the sale of each Unit, an additional fee of $250.00 may be charged.

(2) For Coordination and Assistance with Financing or Refinancing. Managing Agent may charge Unit Owners who finance or refinance their Unit or purchasers obtaining financing on acquisition, a fee of $175.00 for its coordination and assistance with a Unit Owner's financing or refinancing of its residential mortgage(s).

(3) For Processing of Lease Renewals. Managing Agent may charge Unit Owners who make an application to renew or extend leases with the same tenant, a processing fee of $200.00

(4) For Assisting with Unit Owner Alterations. Managing Agent shall accept applications from Unit Owners who desire to make alterations to their Units. Managing Agent shall submit such applications to the Board and assist the Unit Owner and the Board with the application and all approved alterations pursuant to the applicable requirements. Managing Agent shall charge Unit owner: a) $500.00 for all alterations requiring a building permit; and b) $200.00 for all other alterations.

(5) For Assisting with Collections. Managing Agent may charge Unit Owners who's accounts, on a per attorney file bases, are turned over to the Board's attorney a fee of $50 for collection and/or when the Board decides to garnish the rent of Units leased by delinquent Unit Owners. In the event that the Managing Agent is required and/or so requested by such attorney to appear in court, Managing Agent may charge Unit Owner an additional fee of $350.00 per appearance.

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

(a) Property Management Services. Provide for the operation, maintenance, repair, and cleaning of the Building, to the extent required or authorized under the Declaration and in accordance with the approved budget of the Condominium and the direction of the Board.

(b) Meetings of Condominium. Prepare and send out all notices of meetings of the Condominium, the Board or the Unit Owners, and such other letters and reports as the Board may request and, when requested, arrange for a suitable meeting place and assist with the preparation of agendas for such meetings. Cause a representative to attend one (1) Board meeting per month, annual meetings and special meetings of the Board and Unit Owners; prepare minutes of such meetings.

(c) Budgets. Prepare and submit to the Condominium for approval, annual operating budgets for the Condominium.

(d) Collections. Distribute invoices and take all other actions necessary to bill and collect all common charges, assessments and other amounts due and payable by the Unit Owners.

(e) Personnel. Provide routine supervision of all persons necessary to be employed in order to properly maintain and operate the Building.

(f) Books and Records. Set up and maintain the records and accounts of the Condominium and render monthly statements.

(g) Tax Certiorari. Cooperate with tax certiorari attorneys.

(h) Entering into Contracts. The Managing Agent shall, on behalf and in the name of the Condominium (and at the expense of the Condominium), enter into contracts with third parties for the provision or performance of electricity, gas, steam, air-conditioning, water, elevator, telephone, window cleaning, trash removal, fuel oil,

security services, extermination, other normal or essential services or such items or services that are advisable. Notwithstanding the foregoing, the Managing Agent shall not enter into any contracts for a term longer than one year or requiring annual payments in excess of 2,500.00 unless it is authorized by the Board or part of a previously approved operating budget or capital budget of the Board.

(i) Compliance with Laws. Recommend and, with the approval of the Board, take such action as may be necessary to comply with any and all orders, violations or requirements affecting the Condominium or Building by any federal, state, county, municipal authority or any order of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body have jurisdiction.

(j) Insurance. Interact with the Board's insurance agents and brokers for the purchase and/or renewal of insurance policies and in making any claims thereunder.

(k) Bill Payment. Review all bills received for services, work and supplies ordered in connection with maintaining and operating the Building; and pay all such bills, as and when same shall become due and payable.

(l) Tax Returns, Forms Etc. Cause to be prepared and filed, for the Condominium, the necessary forms for unemployment insurance, social security taxes, and all other tax forms. Cooperate with accountants in performing annual audits and tax returns. Send out all letters, reports and newsletters as the Board may request.

(m) Alteration Requests. Process on behalf of the Condominium requests from the Unit Owners for Board approval, or any duly authorized committee thereof, of any alterations proposed to be made any Unit that require notice to or approval of the Board or any committee thereof under the terms of the Declaration.

(n) Residential Moving Coordination. Supervise the moving in and moving out of Unit by Unit Owners (and their tenants), and, as far as reasonably possible, arrange the dates thereof so that there shall be a minimum disturbance to the operation of the Units and of inconvenience to other Unit Owners and tenants. Accept applications and references from all prospective Unit Owners and tenants.

(o) Condominium Duties. Consider and attend to complains of Unit Owners, lawful tenants, subtenants and occupant. To the extent not addressed in subparagraphs (a) through (n) above, exercise all other powers and perform all other duties that have been assigned to the Condominium under the Declaration as its agent. Without limiting the generality of the foregoing, the Managing Agent shall assist the Board in enforcing its rights and remedies under the Declaration.

The Managing Agent shall not be obligated to make any advance to or for the account of the Board, but in the event that the Managing Agent incurs any liability or obligation for the account of the Board, within its authorized duties, the Board shall reimburse the Managing Agent promptly for any monies that the Managing Agent may elect to advance for the Account of the Board. The Board shall indemnify the Managing Agent against liability for authorized acts arising out of the Management Agreement, excluding acts of gross negligence or willful

misconduct.

2. **Zoning Lot Development and Easement Agreement**

A copy of the ZLDA is contained in Part II as Exhibit "16."

3. **Parking System Maintenance and Repair**

Sponsor has entered into a parking maintenance and service contract with Park Plus, Inc. on behalf of the Condominium Board. The term of the contract is five (5) years from the First Closing and the annual fee is $29,814 payable yearly in advance.

4. **Elevator Maintenance and Repair**

Sponsor has entered into an elevator maintenance and repair contract with Fujitec America, Inc. The contract provides for a one (1) year all inclusive warranty, including parts and labor and the term of the contract commences after the one (1) year warranty and continues for five (5) years. The fee is $3,300 per month and is subject to a yearly escalation capped at 3%.

## DD. IDENTITY OF PARTIES

### 1. Sponsor

Sponsor is East 22nd Street Acquisition Holdings LLC, a Delaware limited liability company, formed on April 19, 2013, with an office at c/o The Continuum Company LLC, 30 West 21st Street, New York, New York 10010. The principal of Sponsor is Ian Bruce Eichner.

The Sponsor has not taken part in the public offerings of homeowner associations, condominium or cooperative interests in realty in or from New York which were initially offered during the preceding five (5) years.

Mr. Eichner has been involved in the development, operation and ownership of non-residential and residential real estate in New York City for more than 25 years. There have been no prior felony convictions of Sponsor or any principals of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan. The business address of Mr. Eichner is c/o The Continuum Company, 30 West 21st Street, New York, New York 10010.

### 2. Selling Agent

Corcoran Sunshine Marketing Group, with offices at 888 Seventh Avenue, 39th Floor, New York, New York 10106, is the Selling Agent retained by the Sponsor in connection with the offering of Units. The Selling Agent is engaged in the brokerage and sale of residential properties in the New York metropolitan area. The Selling Agent is not affiliated with Sponsor.

There have been no prior felony convictions of Selling Agent or any principals of Selling Agent and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan. The Selling Agent has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for their respective fees for services rendered in connection with the same. Sponsor and Sponsor's principal are not related to the Selling Agent.

### 3. Managing Agent

Halstead Management Company, LLC a company organized under the laws of the State of New York, and having an address at 770 Lexington Avenue, New York, NY 10065, will be the Managing Agent for the Condominium. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is not an affiliate of the Sponsor. The Managing Agent has been engaged in the development ownership, operation and management of New York City residential properties for over twenty years.

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

Plan.

4. **Attorneys for Sponsor**

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 31 West 52nd Street, New York, New York 10019 to represent it in connection with the Plan ("Sponsor's Counsel"). Holland & Knight LLP prepared the Plan, the Declaration, the By-Laws and the forms of Purchase Agreement, Unit Deed and Unit Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Units and compliance with Section 339-i of the Real Property Law. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan. Holland & Knight LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor has retained Marcus & Pollack LLP, having offices at 708 Third Avenue, New York, New York 10017 to represent it in connection with the Real Estate Taxes.

5. **Sponsor's Architects/Engineers**

The architect for the Building is Goldstein Hill and West, Architects, having an office at 11 Broadway, New York, New York 10004 which has had extensive experience in residential design and overall planning.

MG Engineering, P.C. ("MGE"), having an office at 116 West 32nd Street, New York, New York 10001, is the mechanical engineer for the Building. MGE was formed in 1991 and is a full service consulting engineering firm specializing in mechanical, electrical, plumbing, fire protection, fire alarm and telecommunications design services. MGE's collective engineering experience covers a broad range of real estate properties such as corporate facilities, office buildings, retail space, institutional and residential projects including hotels, health care facilities, multi-family dwellings, telecommunication centers, restaurants, theaters and museums.

Desimone Consulting Engineers ("Desimone"), having an office at 18 West 18th Street, New York, New York 1011 is the structural engineer for the Building. Desimone was founded in New York City in 1969 and has 9 offices worldwide. Desimone has designed projects in 40 states and 18 countries. Desimone has experience performing structural analysis and design for all types of buildings at all project phases.

Tutor Perini Building Corp. ("Tutor Perini"), having offices at 1000 Main Street, New Rochelle, NY 10801, is the construction company responsible for the construction of the building. Tutor Perini is a wholly owned subsidiary of Tutor Perini Corporation, which has been providing construction services since 1894.

6. **Sponsor's Budget Expert**

Penmark Management, having an address at 770 Lexington Avenue, New York, New York, estimated all amounts of income and expenses in the projected "Budget for First Year of Condominium Operation, Schedule B", in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget, and Sponsor's compliance with Section 339-i of the Real Property Law.

## EE. REPORTS TO UNIT OWNERS

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

(1) A certified financial statement of the Condominium prepared by a certified public accountant within 120 days after the end of the Condominium's fiscal year;

(2) Prior written notice of the Annual Meeting of Unit Owners; and

(3) A copy of the proposed annual budget for the Condominium at least 10 days prior to the date set for adoption by the Condominium Board and while the Sponsor is in control of the Condominium Board, such budget shall be certified pursuant to 13 NYCRR §20.4(d).

## FF. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

## GG. 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. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Purchase Agreement, form of Unit Deed, form of Unit Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

Under applicable Federal and local law, leaded paint can no longer be used in the construction of the Building.

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 the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party 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, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel 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 adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the date of presentation of said amendment. Sponsor shall promptly return any Down Payment, together with any interest thereon, to Purchasers who rescind, except that Sponsor shall retain the Down Payment (and any interest thereon) 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 Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any 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 and the Buildings have not been the subject of any prior public offerings.

No cooperative interest in realty or condominium unit has been offered for sale and no reservations, binding or non-binding, will be made until this Plan has been accepted for filing by the Department of Law. No deposits will be accepted by Sponsor until this Plan has been accepted for filing by the Department of Law.

No Units offered in the Building are occupied by residential or tenants as of the date of submission of the Plan to the Department of Law.

## HH. RESERVATION OF AIR AND DEVELOPMENT RIGHTS

Sponsor has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, which Sponsor may transfer to the owners of other parcels in the future. As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. The Development Rights reserved by Sponsor may be used in the case of a sale or transfer for use in connection with other properties. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

## II. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 6 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

# PART II

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**45 EAST 22ND STREET CONDOMINIUM**

**45 EAST 22ND STREET**

**NEW YORK, NEW YORK 10010**

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**EXHIBIT "1"**

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**AGREEMENT**

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**AGREEMENT**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC**

Sponsor-Seller

**TO**

_____

Purchaser

**UNIT NUMBER _____**

**45 EAST 22ND STREET CONDOMINIUM**
**45 EAST 22ND STREET**
**NEW YORK, NEW YORK 10010**

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**UNIT NUMBER(S)_____**

**45 EAST 22ND STREET CONDOMINIUM**
**45 EAST 22ND STREET**
**NEW YORK, NEW YORK 10010**

**(TO BE EXECUTED IN QUADRUPLICATE)**

AGREEMENT, made as of _____, 20__, between East 22nd Street Acquisition Holdings, LLC, a Delaware limited liability company, having an office at c/o The Continuum Company LLC, 30 West 21st Street, New York, New York 10010 ("Sponsor"), and _____, having an address at _____ ("Purchaser").

**W I T N E S S E T H:**

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for 45 East 22nd Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. 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 Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as amendments to the Plan duly filed by Sponsor. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

2. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit(s) ("Unit"), together with the percentage of undivided interest in the Common Elements of the Condominium appurtenant thereto.

3. THE AGREEMENT.

3.1 This Agreement is a combination Option Agreement and Purchase Agreement. By executing this Agreement, Sponsor is hereby granting Purchaser an option to purchase the Unit for the Purchase Price described in paragraph 4.1. The payment for the option is the First Installment and the Second Installment described in 4.1(a) and (b) (referred to individually, as an "Option Payment" and collectively, as the "Option Payments"). The Option Payments are in payment of the Option and the Option Payments are nonrefundable regardless of whether or not the Purchaser exercises the Option. At least thirty (30) days prior to the Closing Date for the purchase of the Unit (the "Option Exercise Notice"), Sponsor shall give Purchaser written notice that Purchaser shall have the right to exercise or terminate the option within fifteen (15) calendar days after the date of the Option Exercise Notice (the "Notice Period"). During the

Notice Period, Purchaser shall either exercise or not exercise the option by sending Sponsor written notice that the option is either being exercised or being terminated. Purchaser's failure to respond within the Notice Period shall be deemed to mean that Purchaser is exercising the option and proceeding to purchase the Unit.

3.2 In the event that a) the Purchaser exercises the option (or fails to respond during the Notice Period), the Closing of the Purchaser's acquisition of the Unit shall proceed and the Option Payments shall be applied toward the Purchase Price pursuant to the terms of this Agreement, or b) the Purchaser notifies the Sponsor during the Notice Period that Purchaser is not exercising the option, i) the Option Payments shall be retained by the Sponsor as payment in full for the option, ii) the Purchaser shall have no further obligation under this Agreement, and iii) Sponsor and Purchaser shall be deemed to have waived any claims against the other arising from this Agreement or the purchase of the Unit. Notwithstanding anything contained herein to the contrary, the Option Payment shall not be refundable.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit (the "Purchase Price") is $_____

The Purchase Price is payable as follows:

(a) An Option Payment of $_____ [an amount that is at least 10% of the Purchase Price unless the purchaser is a foreign government or a person with a diplomatic immunity in which event the down payment is 50%] (the "First Installment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged and, applied to the Purchase Price, if Purchaser exercises the option to purchase the Unit or fails to provide notice of Purchaser's exercise of the option during the Notice Period;

(b) An Option Payment of $_____ [an amount that with the First Installment equals at least 20% of the Purchase Price (the "Second Installment"; the term "Down Payment", as used herein, refers to both the First Installment and, if the same has been paid at the time in question, the Second Installment")], due on the earlier of one hundred twenty (120) days after the execution of this Agreement or thirty (30) days after the Plan is declared effective, by check (subject to collection). [This paragraph is inapplicable to foreign governments or persons with diplomatic immunity.] Purchase Agreements entered into after the construction of the building has been completed and the temporary certificate of occupancy issued, shall not require a Second Installment deposit. If the Purchaser exercises the option to purchase the Unit or fails to provide notice of Purchaser's exercise of the option during the Notice Period, the Second Installment shall be applied to the Purchase Price; and

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check or, at Sponsor's Option, by wire transfer payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the First Installment and

the Second Installment shall be made payable to "Holland & Knight LLP, Escrow Agent". Checks for the balance of the Purchase Price shall be made payable to the direct order of "East 22nd Street Acquisition Holdings, LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that his or her failure to obtain such financing will not relieve him or her of his or her obligations hereunder. Purchaser further understands and agrees that if he or she chooses to finance his or her purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve him or her of his or her obligations pursuant to this Agreement.

6. CLOSING OF TITLE.

6.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior written notice. In the event the Purchase Agreement is executed prior to the Plan being declared effective, the Closing shall not occur until at least thirty (30) days notice is provided after the Plan is declared effective. Notwithstanding the foregoing, Purchaser may waive such prior notice period. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing.

6.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

6.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

6.4 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about December 1, 2016. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with other prerequisites described in the Plan. Purchaser

acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of the Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in the Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of hereby expressly waived by Purchaser.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY.

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

7.2 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

7.3 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

7.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE.

8.1 Purchaser shall order a title report within ten (10) days of receiving a fully executed Purchase Agreement and Purchaser must deliver any title objections to Sponsor's attorney at least twenty (20) days prior to the Closing or any such objections shall be deemed waived. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit,

free and clear of all encumbrances other than those expressly agreed to or waived by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) Michael Bebon, Commonwealth Land Title Insurance Company, having an address at 140 East 45th Street, New York, New York 10017 (Tel: (212) 949-0100 (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Commonwealth Land Title Insurance Company, 140 East 45th Street, New York, New York (or such other title or abstract company designated by Sponsor; the "Title Company"), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

8.3 Sponsor shall be entitled to adjourn the closing to remove or correct and 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 15 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

8.4 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 8.4 shall survive the closing of title or the termination of this Agreement.

9. CLOSING ADJUSTMENTS.

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

9.5 Any errors or omissions in computing adjustments shall be corrected and payment made to the proper party after discovery. The provisions of this subsection shall survive the Closing.

9.6 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title on the rescheduled Closing Date.

10. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing 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. Sponsor at Closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS AND TRANSFER TAXES.

11.1 In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the New York State Real Estate Transfer Tax Return ("NYS Tax Form"), or such other forms as may then be required by law. The RPT Form and NYS Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11.3 Purchaser shall pay all New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes (and, if applicable, the so-called "mansion tax"), and any other real property transfer tax due to the City or State of New York and the cost of any stock transfer stamps. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Article and to indemnify Sponsor as herein provided shall survive the closing or the termination of this Agreement.

12. DOWN PAYMENT. The Down Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Any Down Payment received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan and as set forth in this section below. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Down Payment to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Down Payment, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this paragraph.

12.1 The law firm of Holland & Knight LLP, with an address at 31 W. 52nd Street, New York, New York, telephone number (212) 513-3200, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Neither Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

12.2 Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

12.3 The Escrow Agent has established a master escrow account at Bank of America, N.A. (the "Bank") at its branch located at One Bryant Park, New York, New York, a bank authorized to do business in the State of New York. The master escrow account is entitled "Holland & Knight LLP - 45 East 22nd Street Condominium, Escrow Account" or similar name (the "Master Escrow Account"). All Down Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8 (Certificate of Foreign Status) in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Down Payment and the Purchase Agreement. If a Down Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The Master Escrow Account is federally insured by the FDIC at the maximum amount of $250,000.00 per deposit.

12.4 The Down Payment shall be paid by good certified check of Purchaser or official bank check or, at Sponsor's sole option, by wire transfer. All Down Payment checks must be made payable to the direct order of "Holland & Knight LLP, Escrow Agent". All checks delivered in payment of the Down Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem this Purchase Agreement to be canceled and of no further force or effect.

12.5 If a Down Payment is accompanied by a completed and signed Form W-9 or Form W-8, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. The interest rate for all Down Payments transferred to an individual interest bearing sub-escrow savings account shall be the prevailing rate for such accounts, which as of October, 2013 is approximately .20%. Interest shall begin to accrue upon placing the Down Payment into the individual interest bearing sub-escrow savings account. All interest earned thereon shall be paid to Purchaser at Closing. If a Purchaser does not deliver the Form W-9 or Form W-8, the Down Payment will remain in the non-interest bearing checking portion of the Master Escrow Account. No fees of any kind may be deducted from the Master Escrow Account or individual escrow accounts, and Sponsor shall bear all costs associated with the maintenance of the Master Escrow Account and individual escrow accounts.

12.6 Within five (5) business days after the fully executed Purchase Agreement has been tendered to Escrow Agent along with the Down Payment, the Escrow Agent shall sign the Purchase Agreement and place the Down Payment into the Master Escrow Account. Within ten (10) business days after deposit of the first portion of the Down Payment into the Master Escrow Account, Escrow Agent will notify Purchaser and Sponsor that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Master Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

12.7 The Escrow Agent is obligated to send notice to the Purchaser once the Down Payment is placed in the Master Escrow Account. If Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the first portion of the Down Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Purchase Agreement and Down Payment to Escrow Agent or may apply to the Attorney General for relief. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited in the Master Escrow Account in accordance with the New York State Department of Law's regulations concerning Down Payments and requisite notice was timely mailed to Purchaser.

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

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

12.10 Escrow Agent will hold the Down Payment in escrow until otherwise directed in:

(a) pursuant to terms and conditions set forth in Article 12 of this Agreement upon closing of title to the Unit; or

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

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

If the Escrow Agent is not directed to release the Down Payment pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Down Payment, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Down Payment. If the Escrow

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

Sponsor will not object to the release of the Down Payment to:

(a) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law; or

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

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

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

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

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

12.15 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Down Payment received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Down Payment by Purchaser.

12.16 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

12.17 Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, and deliver such form to Escrow Agent together with the Down Payment and this Agreement. Failure to receive a completed and signed Form W-9 or W-8, as applicable, at the time the Escrow Agent receives the Down Payment and this Agreement, shall not prevent the consummation of this Agreement. Within five (5) days following receipt of the Form W-9 or W-8, as applicable, the Down Payment will be transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser, and within ten (10) days following receipt of the Form W-9 or W-8, as applicable, Escrow Agent shall notify Purchaser of the deposit of the Down Payment into the individual interest bearing sub-escrow savings account.

12.18 Prior to the release of the Down Payment, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance.

12.19 Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent itself.

13. BINDING EFFECT OF PLAN, DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof

14. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any

claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(a) Purchaser's failure to pay the First or Second Installment, if required, when due, or the balance of the Purchase Price or any closing apportionments or closing costs on the Closing Date designated by Sponsor; or

(b) Purchaser's failure to duly complete and sign before a notary public and deliver on the Closing Date the New York State and City transfer tax returns; or

(c) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(d) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(e) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(f) 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

(g) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(h) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(i) The failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(j) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser

hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.3 If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date (a) the closing adjustments 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 higher 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 0.04% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

15.4 Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by Purchaser hereunder, and that the Down Payment (including all interest) shall constitute and shall be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the Down Payment (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

15.5 NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THE AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DOWN PAYMENT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to

its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Purchasers shall be required to cooperate with the NYS Department of Law, Real Estate Financing Bureau's procedures relating to the Plan being declared effective. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

17. WITHDRAWAL OR ABANDONMENT OF PLAN. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in Part I of the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement shall be deemed canceled and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser the Down Payment paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section entitled "Effective Date" in Part I of the Plan. After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent or Escrow Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

18. SPONSOR'S INABILITY TO CONVEY THE UNITS.

18.1 If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, 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, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and, upon making such payment, this Agreement shall be terminated and neither party hereto 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 fifteen (15) days after the giving of Sponsor's notice of refusal 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).

18.2 Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or

supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

19. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor in its possession which relate to appliances, equipment or fixtures located in the Unit.

20. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title, but all such obligations to complete work in the Unit shall cease once the work has been completed. Notwithstanding the foregoing, Sponsor's obligations to perform work in any Unit shall not survive beyond one (1) year after the Closing Date. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent certificate of occupancy covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, prior to Closing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

21. 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:

21.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

21.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore 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 canceled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

22. 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, Sponsor's Counsel, Sponsor's attorneys, Escrow Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any

other part of the Property other than as set forth herein or in the Plan. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and [to be] filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. PROHIBITION AGAINST SALES OR ADVERTISING, SELLING OR LEASING. Purchaser hereby covenants and agrees that it shall not, prior to Purchaser's acquisition of the Unit and for a period of twelve (12) months after the acquisition of the Unit, sell the Unit, lease the Unit, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or lease. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 15 hereof and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. Notwithstanding the foregoing, if Purchaser is purchasing a Unit which is occupied by a Non-Purchasing Tenant at the time of Purchaser's acquisition of the Unit, the aforementioned prohibition on leasing shall, in all events, be subject to any rights of such Non-Purchasing Tenant to remain in occupancy of the Unit in accordance with the terms of this Agreement, the Plan and applicable Legal Requirements. The provisions of this Article 23 shall survive the closing of title or the termination of this Agreement.

24. BROKER. Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and _____ are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned brokers, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 24 shall survive the closing of title.

25. AGREEMENT MAY NOT BE ASSIGNED.

25.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. 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 be required to pay Sponsor's reasonable attorneys' fees in advance, for preparation of an assignment agreement and otherwise comply with the Section of the Plan entitled "Assignment of Purchase Agreements".

25.2 Notwithstanding the provisions of Section 25.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of

all the Purchaser's rights under this Agreement to a Purchaser affiliate or to member(s) of Purchaser's immediate family. For purposes of this Section 25.2 only: (i) "Purchaser affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing controlled by or under common control with Purchaser; (ii) "immediate family" means Purchaser's spouse, domestic partner, children, parents, grandchildren, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and distribution of its profits.

25.3 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

25.4 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company, trust or other entity, 49% or less than of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

25.5 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), four (4) Affidavits of Intention to Reside (the form of which is attached hereto as Schedule B) signed and notarized by the assignee, and three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments, affidavits and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,500 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to

an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 23 above and in the Plan will remain in effect.

26. BINDING EFFECT. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the Down Payment paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (3) days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

27. NOTICES.

27.1 Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Holland & Knight LLP, 31 West 52nd Street, New York, New York 10019, Attn: Stuart M. Saft, Esq., in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

27.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Holland & Knight LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

28. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

29. PURCHASER'S REPRESENTATIONS.

29.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Down Payment represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Down Payment.

29.2 Purchaser is not now, nor shall it be at any time prior to or at the Closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser not any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

29.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C 5312 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C Sections 1956 and 1957.

29.4 The provisions of this Article shall survive the closing of the title to the Unit or termination of this Agreement.

30. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

30.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

30.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of

such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

30.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as to a defense or otherwise in any suit, action or proceeding arising, directly or indirectly out of relating to this Agreement brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court (ii) any claim that any such suit, action or proceeding has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

30.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 30.

30.5 Nothing in this Article 30 shall affect the ability of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

30.6 The provisions of this Article 30 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

30.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

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

32. PERFORMANCE BY AND LIABILITY OF SPONSOR.

32.1 Other than those obligations on the part of Sponsor that have been expressly stated to survive the delivery of the deed in this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e.

32.2 Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

33. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments

and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

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 person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

36. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

37. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law. Purchaser hereby grants jurisdiction to the Supreme Court of the State of New York in New York County and the United States District Court for the Southern District of New York for all disputes relating to the Condominium including this Purchase Agreement.

38. 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 hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

39. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

40. 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.

41. RECORDING. In the event Purchaser elects to record this Purchase Agreement, Purchaser shall deliver to Holland & Knight LLP, as Escrow Agent, an executed and acknowledged Release to be held in escrow until Purchaser fails to close pursuant to the terms of this Purchase Agreement. Purchaser's failure to deliver the Release to the Escrow Agent in recordable form shall make Purchaser liable for all of Sponsor's costs, including legal fees, in having the Purchase Agreement released.

42. 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

43. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement.

44. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

45. NO ORAL CHANGES. THIS AGREEMENT CANNOT BE CHANGED OR TERMINATED ORALLY. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

46. AMENDMENTS TO THE PLAN. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Down Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

47. COUNTERPARTS. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

48. LIS PENDENS. Purchaser waives any right to place a Lis Pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the return of Purchaser's Deposit. The Deposit shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if

Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Deposit refunded.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

**SPONSOR:**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC**

By: _____
Name:
Title:

**PURCHASER:**

_____

_____

_____
(Social Security or Federal I.D. Number)

Telephone No. _____

**ESCROW AGENT**
Accepted and agreed as to the provisions of Article 12:

**HOLLAND & KNIGHT LLP**

By: _____
Name:
Title:

## 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 of the Building and the Unit would show, or such other items as a personal inspection of the Property would show, provided such facts would not make title to the Unit unmarketable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Grantee to the Board and other parties, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Grantor 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. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. 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.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that the Grantor 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 Grantee shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Grantor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of

Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which Commonwealth Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Grantee's title to the Unit) would be willing, in a fee policy issued by it to the Grantee, to insure the Grantee that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. 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 residential purposes.

14. Any lease covering the Unit made from the Grantor to the Grantee.

15. Any violation against the Property (other than the Unit) which is the obligation of the Board or another Unit Owner to correct.

16. Rights of tenants in possession, if any.

17. <u>As to Lot 32 Only</u>

a. Covenants and Restrictions recorded in Liber 521 Cp. 556 and Liber 530 Cp. 389.

b. Rights of adjoining owners in and to the party wall(s) affecting the within premises, including the right to repair and maintain the same.

c. Light and Air Easement Agreement dated 06/07/2013, made by Flatiron Gramercy Realty LLC (grantor) and East 22nd St. Acquisition Holdings LLC (grantee), and recorded on July 26, 2013 in CRFN 2013000295174.

d. Zoning Lot Development and Easement Agreement dated 06/07/2013 between Flatiron Gramercy Realty LLC (owner) and East 22rid St. Acquisition Holdings LLC (developer), and recorded on July 26, 2013 in CRFN 2013000295173.

e. Light and Air Easement Agreement dated 06/07/2013, between Board of Managers of L'Elysee Condominium (grantor) and East 22nd St. Acquisition Holdings LLC (grantee), and recorded on 07/26/2013 in CRFN 2013000295169.

f. Zoning Lot Development and Easement Agreement dated 07/26/2013, between Board of Managers of L'Elysee Condominium (owner) and East 22nd' St. Acquisition Holdings LLC (developer), and recorded on 07/26/2013 in CRFN 2013000295168.

g. Seller 33 East 22 Light and Air Easement dated 06/07/2013, between 33 East 22nd Street Tenants Corp. and The Board of Managers of the Gramercy 29 Condominium, and recorded 07/26/2013 in CRFN 2013000295165.

h. Purchaser Light and Air Easement dated 06/07/2013, between The Board of Managers of the Gramercy 29 Condominium (grantor) and East 22nd St. Acquisition Holdings LLC, and recorded on 07/26/2013 in CRFN 2013000295164.

i. Zoning Lot Development Agreement dated 06/07/2013, between Board of Managers of the Gramercy 29 Condominium (owner) and East 22nd St. Acquisition Holdings LLC (developer), and recorded on 07/26/2013 in CRFN 2013000295163.

j. Light and Air Easement dated 06/07/2013, between Ceecee Associates LLC (grantor) and East 22nd St. Acquisition Holdings LLC (grantee), and recorded on 07/26/2013 in CRFN 2013000295160.

k. Zoning Lot Development and Easement Agreement dated 06/07/2013, between Ceecee Associates LLC (owner) and East 22nd St. Acquisition Holdings LLC (developer), and recorded on 07/26/2013 in CRFN 2013000295159.

18. As to Lots 32 and 34:

a. Declaration of Zoning Lot Restriction dated 6/07/2013, made by 45 E 22 LLC (owner) and East 22nd St. Acquisition Holdings LLC (developer), and recorded 7/26/2013 in CRFN 2013000295146.

b. Declaration of Zoning Lot Restrictions dated 06/07/2013, made by 33 East 22nd Street Tenants Corp. (owner) and East 22nd St. Acquisition Holdings LLC (developer), and recorded on 07/26/2013 in CRFN 2013000295152.

c. Declaration of Zoning Lot Restrictions dated 06/07/2013, made by Ceecee Associates LLC (owner) and East 22nd Acquisition Holdings LLC (developer), and recorded on 07/26/2013 in CRFN 2013000295158.

d. Declaration of Zoning Lot Restrictions dated 06/07/2013, made by The Board of Managers of the Gramercy 29 Condominium (owner) and East 22nd St. Acquisition Holdings LLC (developer), and recorded on 07/26/2013 in CRFN 2013000295162.

e. Declaration of Zoning Lot Restrictions dated 06/07/2013, made by Board of Managers of L'Elysee Condominium and East 22nd St. Acquisition Holdings LLC, and recorded on 07/26/2013 in CRFN 2013000295167.

f. Declaration of Zoning Lot Restrictions dated 06/07/2013, made by Flatiron Gramercy Realty LLC (owner) and East 22nd St. Acquisition Holdings LLC (developer), and recorded on 07/26/2013 in CRFN 2013000295172.

g. Zoning Lot Development and Easement Agreement dated 6/07/2013, made by 45 E 22 LLC (owner) and East 22nd St. Acquisition Holdings LLC (developer), and recorded on 7/26/2013 in CRFN 2013000295147.

h. DOB Light and Air Easement Agreement dated 06/07/2013, made by 45 E 22 LLC (grantor) and East 22nd St. Acquisition Holdings LLC (grantee), and recorded on 07/26/2013 in CRFN 2013000295148.

i. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement and Release dated 2/13/2013 made by Coach House Restaurant Inc. (party in interest) to 45 E 22 LLC (owner) and East 22nd Street Acquisition LLC (developer) and recorded 7/26/2013 in CRFN 2013000295144.

j. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement and Release dated 2/12/2013

made by Country Bank (party in interest) to 45 E 22 LLC (owner) and East 22nd Street Acquisition LLC (developer) and recorded 7/26/2013 in CRFN 2013000295145

k. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement and Release dated 06/06/2013, made by The Dime Savings Bank of Williamsburgh (party in interest), and recorded 07/26/2013 in CRFN 2013000295150.

l. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement and Release dated 06/06/2013, made by FANNIE MAE (party in interest), and recorded on 07/26/2013 in CRFN 2013000295151.

m. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement dated 06/04/2013, made by JPMorgan Chase Bank, NA (party in interest), and recorded on 07/26/2013 in CRFN 2013000295157.

n. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreement dated 05/01/2013, made by HSBC Bank USA, National Association (party in interest), and recorded on 07/26/2013 in CRFN 2013000295171.

o. Waiver of Declaration of Zoning Lot Restrictions and Consent and Subordination to Zoning Lot Development and Easement Agreements dated 06/07/2013, made by Gemini Funding LLC (party in interest), and recorded on 07/26/2013 in CRFN 2013000295181.

19. Encroachment of steel dunnage beams from 304 Park Avenue South, New York, New York, which is tied into the wall located in the rear yard at the property line.

**EXHIBIT "2"**

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**STORAGE [BIN/CLOSET] LICENSE PURCHASE AGREEMENT**

**AND**

**STORAGE [BIN/CLOSET] LICENSE**

---

**STORAGE [BIN/CLOSET] LICENSE**
**PURCHASE AGREEMENT**

This Storage [Bin/Closet] License Purchase Agreement (this "Agreement") is made as of _____, 20___, between Sponsor and Purchaser.

Re: Unit No. ___ ("Unit")
45 East 22nd Street Condominium (the "Condominium")
45 East 22nd Street
New York, NY 10010

1. (a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use a storage [bin/closet] for a Purchase Price of $_____. At Closing, Sponsor shall designate, in its sole discretion, the storage [bin/closet] which will be subject to such License(s). The License to use the storage [bin/closet] shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

Choose (b) or (c) (*delete whichever is inapplicable*)

(b) Upon execution of this Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in an amount $_____ (an amount that equals at least 10% of the Purchase Price) representing the Deposit due in connection with the purchase of the Storage [Bin/Closet] License

-or-

(c) Within 15 days of receipt of notice that Sponsor has met the threshold percentages set forth in the Plan or upon closing of the Unit, whichever is earlier, Purchaser shall deliver to Sponsor a check (subject to collection) in the amount of $_____ representing the Deposit due in connection with the purchase of the Storage [Bin/Closet] License.

2. If there is a fire or other casualty to the area in which the Storage [Bin/Closet] is located and Sponsor does not elect to repair or restore such area(s) following such fire or casualty, then this Agreement shall be deemed modified to provide for the closing of title with respect to the Unit and any other unaffected License(s) only.

3. A default by Purchaser under this Agreement shall constitute a default under the Purchase Agreement for the Unit and any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Agreement entitling Sponsor to those remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Purchase Agreement with respect to the delivery of the License shall survive.

4. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Agreement is annexed or in the Plan.

5. In the event of any inconsistency between the provisions of this Agreement and those contained in the Purchase Agreement to which this Agreement is annexed, the provisions of this Agreement shall govern and be binding.

6. Except as set forth in this Agreement, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date written herein below.

**PURCHASER(S):**

_____
(signature)

_____
(signature)

**SPONSOR:**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC**

By: _____
Name:
Title:

## STORAGE [BIN/CLOSET] LICENSE AGREEMENT

AGREEMENT made this ____ day of _____, 20___ (this "Agreement") by and between East 22nd Street Acquisition Holdings, LLC, having an address at c/o The Continuum Company LLC, 30 West 21st Street, New York, New York 10010 ((the "Sponsor"), the Condominium Board of the 45 East 22nd Street Condominium (the "Board") and collectively with Sponsor, the "Licensor") and _____ having an address at _____ ("Licensee");

**WHEREAS**, the 45 East 22nd Street Condominium, located at 45 East 22nd Street, New York, New York ("Condominium"), is governed by a certain Declaration of Condominium dated _____, 20___, recorded in the New York County Office of the Register of the City of New York on _____, 20___ in Reel ___, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents); and

**WHEREAS**, in the Condominium there are certain areas designated as the Storage Areas (collectively "Licensed Areas"); and

**WHEREAS**, storage [bins/closets] have been installed in the Licensed Areas for use by permitted Unit Owners; and

**WHEREAS**, Licensee, owns or simultaneously herewith is acquiring a Unit in the Condominium; and

**WHEREAS**, Licensee desires the right to the exclusive use of the storage bin designated as _____ (the "Storage [Bin/Closet]") for so long as Licensee owns a 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 license for the exclusive use of the Storage [Bin/Closet] ("License") and Licensee hereby accepts such License from the Sponsor for a term commencing on the date hereof.

2. The Storage [Bin/Closet] may only be used for storage purposes, in compliance with law. No articles or material which pose a threat to the health or safety of the Units Owners or the Building, or that cause noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in the Storage [Bin/Closet]. The Storage [Bin/Closet] cannot be owned independently of a Unit.

3. Licensee shall not (a) store any property outside of the Storage [Bin/Closet] or (b) allow any other person to use the License except in accordance with the terms hereof.

4. The License may be assigned by Licensee at any time provided that no outstanding money is owed to the Condominium Board and provided that the assignee: (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, and (iii) delivers notice of the assignment, in writing to the Condominium Board in compliance with their requirements. The License shall automatically terminate at such time as the Licensee no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner. In the event this License terminates without being assigned by the Licensee, the Board shall have the right to designate the successor licensee and retain any payment made for the License.

5. Licensee represents that it accepts the Storage [Bin/Closet] in its condition "as is" as of the date of this Agreement. Licensee shall throughout the term of this Agreement, take good care of and maintain the Storage [Bin/Closet]. All repairs and replacements to the Storage [Bin/Closet] shall be performed by the Condominium Board and the cost and expense thereof shall be borne by the Licensee as a special assessment pursuant to the Condominium Documents.

6. Neither Sponsor nor the Condominium nor the Board nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Storage [Bin/Closet].

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Licensee defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Storage [Bin/Closet] until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

9. Licensor or its agents shall have the right (but not the obligation) to open the Storage [Bin/Closet] in an emergency at any time, and, at the other reasonable times upon prior notice to Licensee, to inspect and examine the Storage [Bin/Closet] and to make such repairs, replacements and improvements as the Condominium shall deem necessary.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Storage [Bin/Closet] or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium or the Licensor and the Licensee with respect to this Agreement.

11. Licensee shall indemnify and hold the Condominium, the Sponsor of the Condominium, the Condominium Board, and their officers, agents and employees, harmless from and against any and all liabilities, claims, penalties, and judgments, together with any related costs and

expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with the License.

12. Licensee shall be obligated to reimburse the Condominium and the Licensor for any legal fees and disbursements incurred by the Condominium or the Licensor in defending the rights of the Condominium or Licensor under this Agreement, or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to conform or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

**IN WITNESS WHEREOF**, the undersigned have executed this Agreement as of the day and year first above written.

**LICENSOR:**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC, SPONSOR**

By:_____
Name:
Title:

**LICENSEE:**

_____

**45 EAST 22ND STREET CONDOMINIUM**

**BY: CONDOMINIUM BOARD**

By:_____

**EXHIBIT "3"**

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**PARKING LICENSE PURCHASE AGREEMENT**

**AND**

**PARKING LICENSE**

---

**PARKING SPACE LICENSE**
**PURCHASE AGREEMENT**

This Parking Space License Purchase Agreement (this "Agreement") is made as of _____, 20___, between Sponsor and Purchaser.

Re: Unit No. ___("Unit")
45 East 22nd Street Condominium (the "Condominium")
45 East 22nd Street
New York, NY 10010

1. (a) Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use a parking space in the Garage (the "Parking Space") for a Purchase Price of $_____. At Closing, Sponsor shall designate, in its sole discretion, the Parking Space which will be subject to such License(s). The License to use the Parking Space shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

Choose (b) or (c) (*delete whichever is inapplicable*)

(b) Upon execution of this Agreement, Purchaser has delivered a check to Sponsor (subject to collection) in an amount $_____ (an amount that equals at least 10% of the Purchase Price) representing the Deposit due in connection with the purchase of the Parking Space License

-or-

(c) Within 15 days of receipt of notice that Sponsor has met the threshold percentages set forth in the Plan or upon closing of the Unit, whichever is earlier, Purchaser shall deliver to Sponsor a check (subject to collection) in the amount of $_____ representing the Deposit due in connection with the purchase of the Parking Space License.

2. If there is a fire or other casualty in the Garage Unit and Sponsor does not elect to repair or restore such area(s) following such fire or casualty, then this Agreement shall be deemed modified to provide for the closing of title with respect to the Unit and any other unaffected License(s) only.

3. A default by Purchaser under this Agreement shall constitute a default under the Purchase Agreement for the Unit and any other default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Agreement entitling Sponsor to those remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Purchase Agreement with respect to the delivery of the License shall survive.

4. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Agreement is annexed or in the Plan.

5. In the event of any inconsistency between the provisions of this Agreement and those contained in the Purchase Agreement to which this Agreement is annexed, the provisions of this Agreement shall govern and be binding.

6. Except as set forth in this Agreement, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date written herein below.

**PURCHASER(S):**

_____
(signature)

_____
(signature)

**SPONSOR:**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC**

By: _____
Name:
Title:

# PARKING SPACE LICENSE AGREEMENT

AGREEMENT made this ____ day of _____, 20___ (this "Agreement") by and between East 22nd Street Acquisition Holdings, LLC, having an address at c/o The Continuum Company LLC, 30 West 21st Street, New York, New York 10010 ((the "Sponsor"), the Condominium Board of the 45 East 22nd Street Condominium (the "Board") and collectively with Sponsor, the "Licensor") and _____ having an address at _____ ("Licensee");

**WHEREAS**, the 45 East 22nd Street Condominium, located at 45 East 22nd Street, New York, New York ("Condominium"), is governed by a certain Declaration of Condominium dated _____, 20___, recorded in the New York County Office of the Register of the City of New York on _____, 20___ in Reel ___, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents); and

**WHEREAS**, in the Condominium there are certain areas designated as the Garage Unit (collectively "Licensed Areas"); and

**WHEREAS**, parking spaces have been installed in the Licensed Areas for use by permitted Unit Owners; and

**WHEREAS**, Licensee, owns or simultaneously herewith is acquiring a Unit in the Condominium; and

**WHEREAS**, Licensee desires the right to the exclusive use of a Parking Space designated as _____ (the "Parking Space") for so long as Licensee owns a 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 license for the exclusive use of the Parking Space ("License") and Licensee hereby accepts such License from the Licensor for a term commencing on the date hereof. The Licensee shall pay a monthly fee to the Licensor equal to one-twelfth of 6.25% of the amount set forth in the Condominium's budget for Parking License Fees.

2. The Parking Space may only be used for storage of a motor vehicle, in compliance with law. No articles or material which pose a threat to the health or safety of the Units Owners or the Building, or that cause noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in the Licensee's vehicle. The Parking Space cannot be owned independently of a Unit.

3. Licensee shall not allow any other person to use the License except in accordance with the terms hereof.

4. The License may be assigned by Licensee at any time provided that no outstanding money is owed to the Condominium Board and provided that the assignee: (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed hereto, and (iii) delivers notice of the assignment, in writing to the Condominium Board in compliance with their requirements. The License shall automatically terminate at such time as the Licensee no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner. In the event this License terminates without being assigned by the Licensee, the Board shall have the right to designate the successor licensee and retain any payment made for the License.

5. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

6. Neither Sponsor nor the Condominium nor the Board nor their respective agents or employees shall be liable for any theft or damage to any motor vehicle or its contents in the Parking Space.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Licensee defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Parking Space until Licensee cures such default or (ii) terminate this Agreement upon written notice to Licensee.

9. Licensor or its agents shall have the right (but not the obligation) to open the motor vehicle in an emergency at any time, and, at the other reasonable times upon prior notice to Licensee, to inspect and examine the motor vehicle.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the motor vehicle or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium or the Licensor and the Licensee with respect to this Agreement.

11. Licensee shall indemnify and hold the Condominium, the Garage Unit Owner of the Condominium, the Condominium Board, and their officers, agents and employees, harmless from and against any and all liabilities, claims, penalties, and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by

any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with the License.

12. Licensee shall be obligated to reimburse the Condominium and the Licensor for any legal fees and disbursements incurred by the Condominium or the Licensor in defending the rights of the Condominium or Licensor under this Agreement, or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to conform or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

**IN WITNESS WHEREOF**, the undersigned have executed this Agreement as of the day and year first above written.

**LICENSOR:**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC, SPONSOR**

By:_____
Name:
Title:

**LICENSEE:**

_____

**45 EAST 22ND STREET CONDOMINIUM**

**BY: CONDOMINIUM BOARD**

By:_____

**EXHIBIT "4"**

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**POWER OF ATTORNEY**

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# POWER OF ATTORNEY

_____

**TO**

**THE CONDOMINIUM BOARD OF 45 EAST 22ND STREET CONDOMINIUM**

**AND**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC**

**45 EAST 22ND STREET CONDOMINIUM**

**45 EAST 22ND STREET, NEW YORK, NEW YORK 10010**

**UNIT _____**

**COUNTY: NEW YORK**

**BLOCK: 851**

**LOT:**

## POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by East 22nd Street Acquisition Holdings, LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 45 East 22nd Street Condominium and by the street number 41-45 East 22nd Street, New York, New York 10010 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 200__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "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 (the "Principal"), the owner of the Unit (the "Unit") in 45 East 22nd Street Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 851 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department 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:

A. the board of managers of the Condominium (hereinafter collectively referred to as "**Condominium Board**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the Common Elements and the Condominium Board with respect to the Building, deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to

the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s), in each case to the extent required in the By-Lawsand Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Building or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable; and

B. the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units, and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money 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.

This Power of Attorney shall be irrevocable.

Each Agent may act SEPARATELY.

This Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

**EXHIBIT "5"**

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**FORM OF UNIT DEED**

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## UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20___, between East 22nd Street Acquisition Holdings, LLC, a Delaware limited liability company, having an office at c/o c/o The Continuum Company LLC, 30 West 21st Street, New York, New York 10010 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

**W I T N E S S E T H :**

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The condominium unit (the "Unit") in the premises known as a 45 East 22nd Street Condominium (the "Condominium") and by the street number 41-45 East 22nd Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County Office of the Register of The City of New York (the "City Register's Office") on _____, 20__ in City Register File Number _____, and also designated as Tax Lot(s) ____ in Block 851 of Section ____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20___, and filed in the Real Property Assessment Department of the City of New York on _____ _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20__, as Condominium Map No. _____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws".)

Together with an undivided _____ percentage interest in the Common Elements (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

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**IN WITNESS WHEREOF**, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

**GRANTOR:**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC**

By: _____
Name:
Title:

_____
Grantee

_____
Grantee

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the _____ day in _____ the year 20_____ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

**SCHEDULE B**

**REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO PURCHASE AGREEMENT**

**TO BE INSERTED PRIOR TO CLOSING**

**EXHIBIT "6"**

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**DESCRIPTION OF PROPERTY**

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# DESCRIPTION OF THE PROPERTY AND SPECIFICATIONS

The 45 East 22nd Street Condominium
41-45 East 22nd Street
New York, New York 10010

A. Location and Use of the Property:

1. Address: 41 East 22nd Street
New York, New York 10010

2. Block/Lot Number: Block 851, Lots 32, 34, airspace over Lot 28.

Additionally, Lots 22, 24, 26, 28, 32, 34 and 49 comprise a merged zoning lot in accordance with the provisions of Section 12-10(d) of the NYC Zoning Resolution and pursuant to the six Zoning Lot Development and Easement Agreements ('ZLDA') dated June 7, 2013, thereby permitting the transfer of development rights and protects light, air and view for certain windows of the Building from future development to the extent that the owners of the Lots have granted easements for light, air and view above horizontal planes at the elevations noted in the ZLDAs. The Lot 28 ZLDA establishes a 'Cantilever Lower Limiting Plane' allowing the Building to cantilever over Lot 28 and states that the parties have entered into a 'Construction and Maintenance Agreement' pertaining to the maintenance of the cantilever. The ZLDAs are attached as an exhibit in the Plan.

Additional permitted zoning floor area has also been obtained via an inclusionary housing bonus.

The Building is not required to comply with the Quality Housing regulations of the NYC Zoning Resolution (ZR 28-00).

3. Zoning: C6-4M.

Per NYC Zoning Resolution (ZR-13-10) there are no requirements to provide parking. Per NYC Zoning Resolution (ZR-11) the maximum allowable number of parking spaces for this Building is 16.

4. Permissible Uses: Use Groups 1-12 as per New York City Zoning Resolution, which permits residential, community facility and commercial uses. The Property and proposed uses will comply with all zoning and use requirements at closing.

B. Status of Construction:

1. Class of Construction: Class I-B: 2 hour protected - non-combustible (bearing walls and other major structural elements are generally of two hour fire resistance rating), conforming to all applicable regulations of the 2008 Building Code of the City of New York including accessibility provisions.

2. Status of Construction: The Building will be constructed under a New Building Permit. Documents have been filed with the New York City Department of Building under New Building Application No. 121332986-NB. Completion (Final CO) date is expected to be approximately March 2017.

3. Certificate of Occupancy:
A Certificate of Occupancy will be issued for the building. The sponsor will obtain a temporary Certificate of Occupancy for each Residential Unit prior to the closing of each Residential Unit. The Sponsor expects to obtain the first temporary Certificate of Occupancy by November, 2016.

Buyers are advised to visit the DOB website for further recommendations when purchasing Unit(s) in a building that does not have a Final Certificate of Occupancy. In addition, see the special risk section of the offering for further disclosure regarding TCO issues.

C. Site:

1. Size: The size of the Building Lot is approximately 7,406 square feet, airspace above elevation 107 feet above Manhattan Datum is approximately 9,678 square feet.

2. Number and Use of The Building:
The Building, which will be the only structure on the property located on the north side of East 22nd Street, midblock between Park Avenue and Madison Avenue will be used primarily for residential purposes. The building will consist of 83 Residential Units.

The residential lobby entrance, vehicular parking entrance and service entrance/ building egress will be located on East 22nd Street.

3. Streets: East 22nd Street abuts the property. The street is paved with asphalt, is owned and maintained by the City of New York and is in fair condition.

The street abutting the property is pitched to drain through catch basins. The catch basins are part of the New York City storm water drainage system. They are in usable condition.

There is currently one street light adjacent to the property owned, operated, and maintained by the City of New York.

4. Drives, Sidewalks and Ramps:

The sidewalk adjacent to the property will be replaced with new concrete sidewalks running full width from the property line along the street and pitched for drainage to the curb. The new concrete sidewalk will extend from the property line to the Building with drains that will connect to the building storm water system. Curbs will be replaced with new steel-faced concrete curbs. There will be one dropped curb at the entrance to the garage on East 22nd Street. There is one NYC light pole adjacent to the property.

The sidewalks, conditionally approved by NYCDOT on September 23, 2013, were designed to be free of tripping hazards and ponding. Sidewalks, curbs, pedestrian/driveway curb cuts and ramps/aprons were designed in accordance with NYCDOT's standards and applicable accessibility requirements.

There will be no sidewalk vaults.

Site lighting will consist of standard -, wall - and/or pole-mounted fixtures. Numbers of fixtures of each type are as shown on plans.

There are no fire hydrants adjacent to the property. The closest fire hydrant is approximately 100 feet west of the property on East 22nd St.

Condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the Authority Having Jurisdiction (AHJ).

D. Utilities:

1. Electricity:

The electricity will be provided by Con Edison (Con Ed) Company. The Building will be provided with a master meter located in the cellar for all building loads including base building mechanical systems, common areas, elevators, and residential electric usage. Electronic submeters will be provided for each individual Unit to monitor electric usage and the cost shall be billed to each Unit Owner by the Board. The cost of the electric usage for the common areas will be borne by all Unit Owners as a common expense and apportioned to each Unit in accordance with its common interest as provided in the First Year's Budget.

2. Gas:

Gas will be provided by Con Edison Company. Gas for the Residential Units will be collectively metered.

There will be three gas meters. One gas meter will measure gas consumed in the Residential Units for cooking purposes and BBQ Grill located on the 5th floor Residents' Terrace. The second meter will measure gas used for heating and domestic hot water. The third gas meter will be provided with separate service and curb valve for the emergency generator. The cost of the gas will be borne by the Residential Unit Owners as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget

3. Water and Sewer: Water and Sewer service will be provided by the City of New York. Water consumed in the building will be metered by N.Y.C. The cost of the water and sewer usage for the Building will be borne by the Residential Unit Owners as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget.

4. Telephone: "Local" telephone service will be provided by Verizon and/or other service provider. Every Residential Unit Owner will be required to pay their associated telephone charges and initial charges for activating individual outlets in the Unit. The telephone charges with respect to the public areas of the Building (such as the concierge's desk, maintenance offices, etc.) will be borne by all Residential Unit Owners as a common expense and apportioned to each Residential Unit in accordance with its common interest as provided in the First Year's Budget.

5. Cable Television: Cable Television service will be available for all Residential Units from Time Warner TV (or alternate TV Company). All charges for television service (including installation and subscription charges) will be paid by each Residential Unit Owner, who subscribes directly to the TV Company. Each Residential Unit will be provided with minimum two outlets in the living room and one in each bedroom.

E. <u>Sub-Soil Conditions:</u> The building will be founded on a continuous 8'-0" thick reinforced concrete foundation mat on 40 ton bedrock (Class 1b or better rock). On the east side of the site, where pre-construction boring investigations have found bedrock to be deep, 24" diameter drilled caissons with reinforced concrete foundation caps will be socketed into bedrock in lieu of the continuous foundation mat. The foundation mat will include permanent 270 ton tie-down anchors drilled into competent bedrock to resist forces in the foundation resulting from wind and seismic loads. Perimeter tangent pile walls will be drilled into bedrock below the foundation mat to cut off lateral flow of water. These walls will also provide excavation support and eliminate

underpinning of adjacent structures on the east and north site adjacencies. The west adjacency will be underpinned to competent bedrock. In addition to serving as temporary excavation support and water cut-off, the tangent pile wall will serve as the permanent foundation wall and will carry part of the foundation loads. The tangent pile wall will be laterally braced by the mat foundation, cellar and 1st floor slabs. The tangent wall will consist of 24 inch diameter piles to be installed at 28.5 inches on center.

Below grade waterproofing will be applied on the foundation mat and tangent pile wall around the entire site perimeter and therefore, flooding from ground water is unlikely. As the entire foundation envelope will be fully waterproofed, foundation drainage is not required.

The tangent piles will be the building foundation walls and will be bearing much deeper than the freezing zone, which is located at the ground surface. The stabilized water level was measured at approximately 19 feet below the existing sidewalk grade. In addition, the site is surrounded by three existing structures and concrete sidewalk. Therefore, freezing is not expected to affect the foundations.

According to FEMA Flood Insurance Rate Maps for the city of New York, dated September 2007, the site is outside the 100-year and 500-year flood boundaries. Hence, flooding of the site is unlikely.

F. Landscaping:

1. Planting Areas, Grass: Plantings consisting of shrubs, perennials and ground cover in moveable raised planters will be provided at the Lobby Level Resident's Garden and 5th floor Resident's Terrace. Plantings consisting of shrubs, perennials and ground cover in recessed planters will be provided at the sidewalk extension at the entry.

2. Fencing, Gates — Gates at the garage entrance will be as described in Article I.8. The recessed planters in the sidewalk extension will be provided with a low, protective, painted aluminum fence.

3. Garden Walls: — Poured in place, reinforced concrete wall, approximately 6'-0" high and 10" thick, surrounding Residents' Garden at Lobby Level, designed as a free-standing structure capable of resisting code based lateral loads."

4. Display Pools and Fountains:
None.

5. Trees: None.

6. Street trees: There are nine existing street tree adjacent to the zoning lot, one of which is adjacent to the Property. Zoning regulations are such that a total of 13 street trees are required adjacent to the zoning lot. As is customary, since trees cannot be located, per above, due to other regulations and constraints, they will be planted by the Sponsor elsewhere.

G. Building Size:

1. Total Height: Approximately 776-0" from the top of slab at the Residential Lobby to the top of crown.

2. Floor Heights Exclusive of Floors with Residential Units:
All heights are approximate:

| | |
|---|---|
| Subcellar: | 9'-4" from T.O.S. to U.O.S. above. |
| Cellar: | 9'-8" from T.O.S. to U.O.S. above. |
| 1: | 9'-0"/20'-0" from T.O.F. to U.O.F. with the exception of a portion of the garage which will be 21'-2" from T.O.S. to U.O.S. above. |
| 1M: | 9'-0" from T.O.F. to U.O.F above. |
| 2: | 22'-0" from T.O.F. to U.O.F at basketball, 8'-6" - 14'-0" from T.O.F. to U.O.F elsewhere. |
| 4: | 9'-0" from T.O.F. to U.O.F above. |
| 5: | 8'-6" – 10'-0" from T.O.F. to U.O.F above. |
| 54: | 10'-0" from T.O.F. to U.O.F above, 12'-0" from T.O.S. to U.O.S. above at mechanical areas. |

3. Subcellar: There will be one subcellar.

4. Cellar: There will be one cellar.

5. Number of Floors Above Grade:
Floors above grade will be designated 1/Lobby, 1M, 2, 4-5, 11-12, 14-68, Roof, Crown. There will be no floors numbered 3, 6-10 and 13.

Following is an equivalence table for construction floor numbering and condominium floor numbering:

| Construction | Condominium |
|---|---|
| Crown | Crown |
| Roof | Roof |
| 8-62 | 14-68 |
| | |
| 6-7 | 11-12 |
| 4-5 | 4-5 |
| 2M | |
| 2 | 2 |

| Construction | Condominium |
|---|---|
| 1M | 1M |
| 1 | 1/Lobby |
| C | Cellar |
| SC | Subcellar |

6. Equipment Rooms: Mechanical Equipment Rooms will be located at Subcellar, Cellar, 1M, 12, 25, 39, 54, 66-68.

7. Parapet/Railing Assemblies:
The parapet and/or railing assemblies will extend a minimum of 3' -6" above the roofs.

H. Occupancy:
(Location of Units and residential lobby)

Subcellar:
None.

Cellar:
None.

Floor 1:
Residential Lobby.

Floor 1M:
None.

Floor 2, 4-5:
None.

Floor 11:
1 Residential Unit.

Floor 12:
None.

Floor 14:
4 Residential Units.

Floor 15:
2 Residential Units.

Floor 16-24:
18 Residential Units.

Floor 25:
1 Residential Unit.

Floor 26-38:
26 Residential Units.

Floor 39:
None.

Floor 40-53:
14 Residential Units and 7 Duplex Residential Units.

Floor 54:
None.

Floor 55-63:
9 Residential Units.

Floor 64-65:
1 Duplex Residential Unit.

Floor 66:

None. A portion of Floor 66 is the upper part of a two-story space for the Residential Unit below.

Floor 67-68, Roof, Crown:
None.

I. Structural System:

1. Structural System: The superstructure will be a conventional reinforced concrete flat plate system with interior and perimeter reinforced concrete columns. Drop beam structure will be employed only at the lower amenity and mechanical levels where large openings must be framed. The lateral system will be composed of a shear wall only lateral system for wind and seismic resistance. The addition of a tuned mass damper helps to reduce any predicted accelerations to the acceptable, industry recognized limits for human comfort.

2. Exterior Walls: The exterior walls will be primarily a curtain wall system, most of which will be 4-sided structural glazed with areas of vision and spandrel glass. The aggregate nominal thickness of the curtain wall will be approximately 8" thick. Where spandrel glass occurs there will be an interior finish of 5/8" gypsum wallboard applied over 2½" steel studs and 3½" thick batt insulation (R-13) with an aggregate nominal thickness of approximately 1'-1". Where a 2 hour rated exterior wall is required the interior finish at the spandrel glass will be interior finish of 5/8" gypsum wallboard applied over 2½" steel studs and 3½" thick batt insulation (R-13) applied over gwb shaftwall assembly with an aggregate nominal thickness of approximately 1'-3". The curtain wall system will be securely anchored to the structure. Other decorative material may be used on the exterior of the Building including stone at the base.

Local Law 11 report will be due in accordance with the NYCDOB schedule in effect at the completion of construction.

3. Windows: Residential Unit exterior windows shall be a combination of fixed and outswing awning windows of aluminum construction with painted finish and glazed with factory-assembled 1" insulating Low 'E' glass units. Spandrel glass units shall consist of 1" insulating glass units with an opacifier on the innermost surface, not exposed to weather. The spandrel glass units will also have insulation and gypsum wallboard as the interior finish as noted above. The custom windows will be manufactured by Permasteelisa North America,

Benson Industries, Gamma USA, Enclos Corporation or no less equal in quality and design with a five year guarantee from the window manufacturer on material, workmanship and weather-tightness. No screens or separate storm windows will be provided. The perimeter of all windows will be caulked to control water and air infiltration.

Structural performance: Withstand without excessive deflection, damage or impairment of function the higher of the wind or seismic load established by the requirements of the New York City Building Code or a special wind tunnel study commissioned in order to determine the appropriate wind load requirements for this project.

A BMU (Building Maintenance Unit) will be located on the roof and will be utilized to clean the exterior of the curtain wall.

The Building does not currently have landmark status.

4. Parapets and Coping: Parapets will be constructed of concrete, facing will be a continuation of the curtain wall below with painted aluminum and tempered or laminated glass rails where required, all secured with anchors to the structure. Copings will be painted aluminum and/or stone. Parapets will be 3'-6" high minimum per code. As designed, all exterior metals and fasteners shall be corrosion resistant.

5. Lot Line Windows: Windows on the portion of the building facing or cantilevered over Lot 28 to the west are protected by the light and air easement described above. Pursuant to this easement, no future development (alteration or new construction) on Lot 28 would be permitted above the existing height of the improvements on these lots except as noted in the ZLDA (see above).

Under the existing building codes applicable to the Building, certain spandrel panels in the curtain wall cantilevered over Lot 28 are required to have a 2-hour fire- rating due to the proximity and construction of the building on the adjacent lots. This will be achieved as noted above and these windows in the Residential Units are identified on the floor plans that follow this Report.

Windows to the east are permitted as per Table 704.8 of the current NYC Building Code, but those windows on the 56th floor and above which are closer than 10 feet to the adjacent zoning lot may be required to be closed up if the adjoining Property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having these 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. These windows in the Residential Units are identified on the floor plans that follow this Report. Sprinklers are not required, as the windows are greater than 3 feet from the property line.

6. Chimneys and Caps: The Building will have one refuse chute. The chute will have an explosion vent and metal flashing collar terminating in accordance with the New York City Building Code at the 68th floor. The chute will be approximately 16 gauge aluminum coated cold rolled commercial quality steel with factory applied damping material manufactured by U.S. Chutes or equal enclosed in a concrete and/or concrete block and/or gypsum wallboard shaft with 1 1/2 hour rated doors at every opening and an explosion proof cap at the termination point. There will be no fireplaces.

7. Balconies and Terraces:

Terraces will have concrete pavers as the deck finish with parapets and railings as described in Article I. 4; garden walls will be as described in Article F. 3. Drainage at terraces will be as described in Articles I.10 and K.6. Doors are of a painted aluminum construction integral to the curtain wall system. The perimeter of all doors will be caulked to control water and air infiltration. Saddles will meet accessibility requirements.

As designed, all exterior metals, including exposed fasteners shall be corrosion resistant.

Terraces will be located at Lobby Level Resident's Garden and 5th floor Resident's Terrace.

There will be no balconies.

8. Exterior Entrances: All entrances will be along East 22nd Street on the sidewalk extension. The primary residential entrance will have a pair of swing doors with painted aluminum trim and tempered glass with a painted aluminum marquee above. The marquee will be securely fastened to the structure. The residential service

entrance/building egress will have a pair of painted aluminum swing doors; the package entry will have a single painted aluminum swing door. The vehicular entrance to the garage will have a bronze soffit, an electric motor operated painted roll-up garage-type door. Additionally a pair of 11 foot tall statuary bronze electrically operated outswing gates will be provided at the building line. Door hardware will be heavy-duty. The exterior entrances were designed in accordance with applicable accessibility requirements and free of tripping hazards. As designed, all exterior metals, including exposed fasteners, shall be corrosion resistant.

Drainage system will be as per Article K.6 and is adequate per code. Additionally, there will be a continuous slot drain near the garage entrance.

Front loading, metal, USPS approved mailboxes (National Mailboxes, a Division of NMHP Inc., 4C Series, Suite D or approved equal) will be located in the residential lobby at the 1st floor for the Residential Units only. Mailboxes will meet accessibility requirements.

The doors to the roof will be 1.5 hour fire rated, self-closing, hollow metal doors with metal frames, complying with code. Doors to terraces will be swing doors with painted aluminum trim and tempered glass

9. Service Doors: Service doors will be 1.5 hour or 45 minute fire rated, self-closing as required, hollow metal doors with metal frames complying with code.

10. Roof and Roof Structures:

The roofing system will primarily be an Insulated Roof Membrane Assembly (IRMA) roof comprised of a cold fluid applied roofing (90 mil minimum thickness, Kemper System 2K-PUR or approved equal), installed below 4" thick extruded polystyrene board insulation (R-20), installed below minimum 2" thick concrete pavers or stone ballast. The insulation is in compliance with the Energy Conservation Construction Code of New York State. Specifications require that the roofing manufacturer license and approve the applicator/installer for the specified membrane.

As specified, pavers shall be professionally installed so as not to impede drainage nor void the manufacturer's warranty'.

Flashing will be as follows: base flashing, fluid-applied water-proofing membrane; counter-flashing and drain-flashing; aluminum (22 gauge minimum).

Cast iron roof and area drains will be provided for all roof areas, which will discharge through internal cast iron leaders into building storm drain system. Scuppers will be provided at the 68th floor and Roof.

Painted steel exterior stairs will be provided from the 67th floor to the Roof.

Stair, elevator and mechanical equipment bulkheads will be constructed of cmu and will be parged. Additionally, the open air 'crown' will be constructed of the same curtain wall as below with, some panels will have painted aluminum louvers.

The roof will have a limited warranty by the roofing manufacturer for a period of ten years and a limited guarantee by the contractor for a period of two years. The limit will be the cost of labor and materials for one replacement roof.

There will be no skylights.

As designed, all exterior metals, including exposed fasteners shall be corrosion resistant.

Vibration isolation will be provided for all rooftop mounted mechanical equipment and mechanical equipment in indoor mechanical rooms to prevent vibration and noise from reverberating to the Units below. All steel dunnage will have a galvanized finish.

11. Fire Escapes: None.

12. Yards and Courts: The 'rear yard' at the Lobby Level will contain the Lobby Level Resident's Garden. Garden wall will be as described in Article F. 3. Drainage at terraces will be as described in Articles I.10 and K.6. Lighting will be as described in R. Yard complies with ZR 23-40, 35-53 and 33.26.

13. Interior Stairs: Stairs A and B will be a pair of scissor stairs (separately enclosed) serving the Building from floors 1 through 67 Main Roof Room Level. Stairs C and D will serve the Building from the Subcellar to floor 1. The stairs will be constructed of concrete. The 2-hour rated stair enclosures will be constructed of reinforced concrete and/or concrete block and/or gypsum wallboard and will be painted. Painted steel pipe handrails will be provided. Where required, a 42" high painted steel guardrail in addition to handrail will be provided; guardrail will comply with all DOB requirements

Stairs internal to the duplex Residential Units (exclusive of the PH Unit) will be constructed of solid white oak with solid white oak stringers, open risers, solid white

oak treads and bronze rails. These stairs are convenience stairs and do not require fire-rated enclosures.

The stair connecting floors 1 and 1M and the stair internal to the PH Unit will be bronze spiral stairs with open risers, solid white oak treads and bronze handrails. These stairs are convenience stairs and do not require fire-rated enclosures.

14. Interior Doors and Frames:

The entrance door and frame to each Residential Unit will be UL rated, custom solid wood with wood stained finish, 1 3/4" thick F.P.S.C. 1 1/2 hour rated, STC 35 db, with wood saddles as required. Doors and frames will be tested for UL rating as required. Residential Unit interior swing doors, inclusive of closet doors, will be custom 1¾ " thick, flush-panel painted solid core wood doors in painted wood frames with saddles as per the door schedule.

The entrance door and frame to each of the Storage Bins at the Cellar will be metal and metal mesh and have metal and metal mesh dividers. The entrance door and frame to each of the Storage Closets at Level 1M will be cedar and have cedar clad gwb divider partitions.

All public corridor doors and frames and stair hall doors and frames will be painted flush-panel hollow metal, 1 3/4" thick, F.P.S.C. 1 1/2 hour rated with saddles as per the door schedule.

Service doors and frames will be painted flush-panel hollow metal, 1 3/4" thick, F.P.S.C. 1½ hour or 45 minute rated with saddles, as appropriate.

15. Elevators:

Passenger elevators PE1 and PE2 will stop at floors 1, 2, 4-5, 11-12, 14- 65, PE2 will also stop at the Cellar. Elevators PE1-2 will use ACVVVF gearless type machines. Elevators PE1-2 will have 2,500 pound (16 people) lifting capacity and travel at 1,400 feet per minute. The passenger elevator doors will be single center opening automatic type.

Service elevator SE1 will stop at floors Subcellar, Cellar, 1, 1M, 2, 4-5, 11-12, 14- 66. Elevator SE1 will use ACVVVF gearless type machine. Elevator SE1 will have 3,000 pound (20 people) lifting capacity and travel at 1,000 feet per minute. The service elevator doors will be 2-speed single side opening automatic type, with an additional side opening on floors1, 1M and 2, where the elevator door will be 2-speed side opening automatic type.

One automobile lift (AL1) will serve the garage and will stop at the Subcellar, Cellar and 1. Automobile Lift AL1 will use a direct dual roped hydraulic cylinder. Automobile Lift AL1 will have 8,000 pound (1 automobile plus 1 person) lifting capacity and travel at 75 feet per minute. The automobile lift doors will be vertical bi-parting power operated doors.

The make and model number of the custom elevators will be Otis/Custom, Thyssenkrupp/Custom or approved equal.

Air- conditioning in the main elevator machine room will be provided from a split air-cooled direct expansion air-conditioning unit (118 MBH total cooling capacity). Service elevator machine room will be air-conditioned via packaged rooftop direct expansion unit (29.8 MBH total cooling capacity). These units are adequately sized and will assure that the temperature in each room will not exceed the maximum allowed for proper operation of equipment.

Sponsor has advised that it has instructed the Management Company for the Condominium to enter into maintenance contracts for all elevators in the building. The budget reflects the cost of same.

16. Elevator Cabs:

The elevator cabs will be CEC Elevator Company / Custom, National Elevator Company / Custom or approved equal. The elevator cab will have nickel silver tile flooring, wood and bronze panels on the walls and bronze panels at the ceiling with cove lighting.

As per the NYC Elevator Code, all elevators will be equipped with an emergency lighting system to operate automatically in the event of loss of normal power and will provide the prescribed levels of illumination for a minimum of four hours.

Each car will also have a two-way, hands-free voice communication system for distressed passengers. It will be automatically activated when the emergency call button is pushed. As per the NYC Code the emergency alarm bell will operate on a supplemental, independent power source for a minimum of four hours.

17. Sound Insulation:

Demising walls surrounding Residential Units will contain 2" thick sound attenuation blanket, partitions will have a 54stc rating. Walls surrounding bedrooms (other than demising walls) will contain 2" thick sound attenuation blanket, partitions will have a 40 stc rating. Floors will be comprised of a concrete slab (8" minimum thickness), acoustical underlayment, a

minimum of 2 layers ¾" tongue & groove subfloor and ¾" thick wood flooring. INR will be 0.

J. Auxiliary Features:

1. Refuse Disposal: The refuse chute will be located off the public corridor at the trash room on the residential corridor. The refuse chute will discharge into a compactor located at the 2nd Floor. Building personnel will then take compacted refuse to the street via elevator for pickup up by NYC Dept. of Sanitation. The compactor (model 45K as manufactured by Wilkinson, or no less equal in quality and design) with a standard 1 year manufacturer's warranty, when installed, will receive all necessary government approvals.

2. Laundry Room: A Laundry Room will be located at the Cellar Level serving the Residential Units. The laundry room will contain, one laundry sink, two heavy duty card operated electric washers and two heavy duty card operated gas dryers. The gas dryers will be vented by an exhaust fan to the exterior. Utility charges for the laundry room will be part of the Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

   All Residential Units will have their own clothes washer and electric dryers.

3. Lobby Lounge and Library Mezzanine:
   The Lobby Lounge, Toilet Room and Library Mezzanine, will be located in the Building at the Lobby Level and 1M, accessible from the residential lobby, connected via a spiral staircase, as well as by elevator, and furnished with tables and chairs. The Lobby Lounge, Toilet Room and Library Mezzanine will be for residential occupants only, will be part of the Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

4. The Amenity Spaces: The Amenity Spaces, comprised of a basketball court, private fitness studio/yoga studio, golf room, stroller storage, children's playroom, children's toilet room and toilet room located in the Building on the 2nd floor, the fitness center and toilet room located in the Building at the 4th floor and the lounge, pantry, billiards room, card table room and toilet room located in the Building at the 5th floor will be accessible from the passenger elevators. The Golf Room will be equipped with a golf simulator. The Fitness Center will be furnished with the following equipment or approved equals: Octane Pro4700 Elliptical, Woodway 4Front Treadmills, Engage 95C Life Fitness Discover SE Upright Bikes w/tv, Precor Elliptical EFX 885Crosstrainers, Keiser

M3+ Spin Bike, Cybex 770AT Arc Trainers, FreeMotion 11.9iTreadmill, Stairmaster Stepmill 5 Stepmill, Concept 2 E Rows, Versa CM Club Model Climber, Schwinn AC Performance Plus Spin BikeLife Fitness CMPD Cable Machine, Life Fitness CMRW Cable MachineLife Fitness CMCP Cable Machine, FreeMotion F624Dual Cable Machine, Nautilus P3PL Plate Loaded Leg Press, Atlantis C-106 Selectorized Leg Curl, free-weights and benches. The Children's Playroom will be furnished with custom tables and chairs. The Lounge will be furnished with custom tables and chairs. The Billiards Room, will be furnished with a custom billiards table. The card table room, will be furnished with custom card tables and chairs. Safety padding will be provided where appropriate. The Amenity Spaces will be for residential occupants only and will be part of the Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

5. Upper Amenity Space: The Upper Amenity Space, comprised of a lounge, dining room, kitchen, catering kitchen, and toilet room, located in the Building on the 54th floor will be accessible from the passenger elevators. The lounge and dining room will be furnished with tables and chairs. The Upper Amenity Space will be for residential occupants only and will be part of the Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

6. Lobby Level Residents' Garden:
The Lobby Level Residents' Garden will be located in the Building at the Lobby Level, and will be landscaped as noted in Article F and be furnished with outdoor tables and chairs. The Lobby Level Residents' Garden will be part of the Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

7. 5th floor Residents' Terrace:
The 5th floor Residents' Terrace will be located in the Building at the 5th floor, accessible from the Amenity Spaces which is accessed via the passenger elevators. The 5th floor Residents' Terrace will be landscaped as noted in Article F and will be furnished with moveable outdoor furniture and a gas fired bbq grill. The 5th floor Residents' Terrace will be for residential occupants only and will be part of the Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

8. Bicycle Room: The Bicycle Room will be located at the Subcellar, accessible from the service corridor and will have racks & wall mounted hooks to store 45 bicycles. This facility will be for residential occupants only. The Bicycle

Room will be part of the Common Expenses and will be allocated to each Residential Unit as noted in the First Year's Budget in the Offering Plan.

9. Storage Bins: Storage Room 1 at the Cellar Level, accessible from the public corridor, will contain 41 Storage Bins (SB1-SB41). The Storage Bins will be licensed to individual residential occupants only by Condominium. The costs and expenses to operate and maintain the facility will be borne by the licensees of the Storage Bins.

10. Storage Closets: Storage Room 2 at Level 1M, accessible from the public corridor, will contain 9 Storage Closets (SC1-SC9). The Storage Closets will be licensed to individual residential occupants only by Condominium. The costs and expenses to operate and maintain the facility will be borne by the licensees of the Storage Closets.

K. Plumbing and Drainage:

1. Water Supply: One 4-inch domestic water service with a main shut shut-off valve, a double check valve backflow preventer and water meter, all located in the water meter room at the Cellar Level, will be provided from the public water main duplex booster pumping system located on the sub cellar level will pressurize the building tank fill line. This system will fill 15,000 fire reserve gallon tank located on 39th and 67th floors and 7,500 combination domestic and fire reserve tank located on 67th floor. Duplex Tank Fill System Peerless Model 130DMSL346TFGAF, each pump Peerless Model MSL50A-5, 5 Stages, 80 GPM @ 800' TDH, 50 H.P., 3550 RPM. The warranty for the booster pumps will be 12 months from date of start-up, not to exceed 18 months from date of shipment. The building domestic water system will be provided via 7,500 gallon water reserve from roof tanks located on the 67th floor. The Building will have seven (7) pressure zones of cold water and hot water.

Hot water will be generated from Building heating system Via Domestic-Water Generating Package (AERCO: model DHWG-HC2, 2880 MBH nominal capacity, 2160 GPH minimum input and output). The warranty for the unit will be 12 months from date of start-up, not to exceed 18 months from date of shipment.

The building domestic water system will be separated in multiple pressure zones. The upper zone will be provided with hot and cold water duplex constant pressure booster pumps. Hot and cold water pressure reducing valves will be provided for other zones. Domestic hot water system will be furnished with a domestic hot water temperature maintenance system

(HWAT system).

The piping system will consist of type L copper tubing with 95-5 tin-antimony soldered joints or other method as allowed by 2008 New York City Building Code.. All mains and risers will be insulated. All hot and cold water piping will be insulated throughout.

2. Fire Protection System:

   a. Fire water Services:
   One 6-inch fire service from East 22nd Street with 6-inch double detector check valve to supply Automatic Fire Pump located in the Cellar Level.

   b. Standpipes: The building will be protected with fire standpipe and a combination fire standpipe and sprinkler system. The fire stand pipe and combination fire standpipe and sprinkler system are split in three zones. Each zone will have two sources of water. Zone 1 covers cellar to 24th floor; zone 2 covers 25th to 53rd floor, zone 3 covers from 54th to 68th floor.

   Fire standpipe sprinkler services will be delivered to the building from existing municipal water main and 15,000 fire reserve gallon tank located on 39th and 67th floors. Each fire standpipe and a combination fire standpipe and sprinkler system will be boosted by a set of automatic fire pump rated at 500 GPM and jockey pump. A set of automatic fire pump and jockey pump are located on subcellar, 25th, 39th and 67th floors.

   The fire service will be cross connected and provided with detector double check assemblies. The tanks will be fed from dedicated line of the domestic water service.

   All fire pumps will be provided with all required accessories such as relief valve, hose valve header, sight cone, etc. Pumps will be provided with their own controllers, complete with running lights, power availability, and all other required and necessary accessories.

   Piping will be schedule 80 or 40 steel piping with rolled or cut grooved or threaded joints.

   c. Hose Rack, Hoses and Nozzles:
   A 2½ inch hose valve with cap and chain will be located at fire standpipe riser at each floor.

   A central hose station and locked key box will be located at the first floor.

   d. Sprinkler System:

Sprinkler water will be from the 6" combined standpipe/sprinkler riser.

The building will be fully sprinklered. Each floor will be zoned with a control valve, pressure regulators, drain and test valves, tamper and water flow switches wired to the building fire alarm system. In addition, 2-1/2" hose valves with 1-1/2" reducers will be located in stairways at each floor so that all areas of each floor are within 125 feet of a hose valve.

All control valves will be electrically supervised with tamper switches wired back to a centrally located fire alarm panel. System will be provided with high zone and low zone FDNY approved Siamese connections and 3 way roof manifolds where required.

Automatic wet sprinklers will be supplied from combined FSP/sprinkler riser for entire Building.

Piping will be schedule 10 or 40 steel piping with rolled or cut grooved or threaded joints.

e. Siamese Connections:
Two 6"x3"x3" Siamese combined fire sprinkler and standpipe connections for low and high zone will be provided at East 22nd Street.

3. Water Pressure and How Maintained:
Domestic water system will consist of seven pressure zones. The upper zone will consist Domestic water pressure will be maintained by duplex constant-pressure booster system for hot and cold water system to provide a minimum of 40 psi and maximum 80 psi at all fixtures. The cold water pressure is to be boosted by means of a new automatic duplex constant pressure booster system (Peerless Model 60DES39VFDGAF, Each Pump Peerless Model C610A, 60 GPM @ 90', 5 H.P. Non-overloading, 3500 RPM). The Hot water pressure is to be boosted by means of a new automatic duplex constant pressure booster system (Peerless Model 30DES39VFDGAF, Each Pump Peerless CR5-5, 30 GPM @ 90', 1-1/2 H.P. Non-overloading, 3500 RPM). The warranties for the pumps will be 12 months from date of start-up, not to exceed 18 months from date of shipment. Other zones will be fed by gravity. The pressure will be regulated by zone pressure reducing valves.

4. Sanitary Sewage System:

a. Sewage Piping: Sanitary sewage will be conveyed by gravity via vented soil and waste branches, stacks and house drains, to combined house sewer.

Drainage and vent piping will be no-hub cast iron piping with stainless steel couplings and rubber gaskets.

b. Sanitary Ejector Pumps:
Duplex Ejector pumps (Inlet/Outlet 3" - Flygt Model CP3085IMP436WL70, 150 GPM @ 21' TDH, 3 H.P. 1690 RPM, 460 VAC) will pump waste water, sewage from the 1st Floor, Cellar and Subcellar Levels to the sanitary pipe downstream of the house trap. The warranties for the pumps will be 12 months from date of start-up, not to exceed 18 months from date of shipment.

c. Sump Pumps: Elevator sump pumps (Stancor Oilminder Model SE-50, 50 GPM @ 19' TDH, 1/2 HP 3600 RPM will be provided for the elevator pits. The warranties for the pumps will be 12 months from date of start-up, not to exceed 18 months from date of shipment.

d. Sewage Disposal:
One (1) 10-inch combined sewer, to be connected to street municipal sewer on E. 22nd Street. Combined sewer is allowed at this location.

5. Permits required: All permits will be obtained by the plumbing and sprinkler contractors.

6. Storm Drainage System:
Gravity roof drainage from roof drains, and terrace drains to one (1) 10" combined house sewer connected to street municipal sewer on E, 22nd Street.

a. Catch Basins: None.

b. Roof and Terrace Drains:
The building will be furnished with roof detention system to comply with NYC DEP rules and regulations. Roof drains with restricted flow and emergency roof drains will be installed on all roofs and terraces with the exception of the 68th floor and Roof Level where scuppers will be provided. Drains from Lobby Level Residents' Garden, 5th floor Residents' Terrace, will be part of roof detention storm water system to comply with NYC DEP rules and regulations. Drains with restricted flow and an emergency drain will be installed at Lobby Level Residents' Garden. Area drains at the sidewalk extension, planter drains in the planter in the sidewalk extension and a heavy duty trench drain at the garage entrance will discharge to building storm water gravity system

Floor drains will be provided throughout garage for residual water that may be carried in by cars.

c. Piping: Cast iron piping will be no-hub cast iron piping with

stainless steel couplings and rubber gaskets.

L. Heating:

1. Central Heating Plant: Central boiler plant will be provided for the project to generate hot water for domestic hot water and space heating. Central hot water plant will be comprised of four (4) 89% high efficiency condensing type gas fired boilers (Aerco, Model BMK-3.0LN). Each boiler heating capacity output will be 2600 MBH. Boilers and will be located in Boiler Mechanical Room on the 66th floor. Central heating plant will be provided with DDC (direct digital control).

   Boiler warranty: The pressure vessel, heat exchanger, and tubes shall carry a full ten (10) year warranty. The burner shall carry an unconditional two (2) year warranty against defective materials or workmanship. The controls and instrumentation shall carry an unconditional two (2) year warranty against defective materials or workmanship.

2. Space Heating: Space heating will be provided from central boiler plant. Hot water distribution will be via 3 separate zones with heat exchangers (pressure breaker) to maintain 150 psi operating pressure for the system. Heat exchangers and circulation pumps will be located on 39th and 12th floor mechanical rooms. Hot water duplex pumps will be provided for each zone (one pump-duty; second- stand-by). Space heating will be provided by hot water heating coils located in fan-coil units and air-handling units. Supplemental electric radiant heating panels will be provided for the several residential spaces. Cabinet unit heaters with electric heating coils will be provided at the egress stairs. The system is designed to meet the New York City and State Energy Codes to maintain 70 degree F space air temperature.

3. Piping Insulation: Piping insulation will be in conformance to New York City and State Energy Codes.

4. Ductwork Insulation: Ductwork insulation will be in conformance to New York City and State Energy Codes.

M. Gas Supply:

1. Type: The Building will be provided with gas service as called for on the drawings for cooking ranges, heating and domestic hot water and emergency generator.

2. Meters: Common meter(s) will be provided for the Residential Units' gas cooking and bbq at 5th floor Residents' Terrace at firm gas rate.

Common meter will be provided for the Residential gas heating and domestic hot water at firm gas rate.

Common meter will be provided for the Residential gas emergency generator at firm gas rate.

3. Piping Material: Black steel Schedule 40 pipe with malleable fittings for low pressure piping 4 inch and smaller and welded joints for low pressure piping over 4 inches. High-pressure piping upstream of pressure regulators to be welded and radiologically examined.

N. Air Conditioning:

1. Central Cooling Plant: Central chilled water system will be comprised of water cooled modular chillers and open loop cooling tower. Fifteen (15) chiller modules will be provided to keep compressor size below 15 HP each, eliminating the need for a licensed refrigeration operator for the system. Residential cooling tower containing two cells will be located on the upper roof. Cooling tower will be rated for 450 tons capacity, 1350 GPM water flow operating at 95 deg. F (EWT) and 85 deg. F (LWT) at 78 deg. F WB air temperature. Winterized cooling tower will provide free cooling (water side economizer) operation for energy conservation.

Water cooled chillers, condenser water pumps (one duty; second-stand-by) and chilled water pumps (one duty; second-stand-by) will be located in the 39th floor mechanical room. Condenser water pumps and chilled water pumps will be equipped with variable frequency drives for energy conservation. Free cooling (economizer) heat exchanger will be provided and located on 39th floor mechanical room.

Chilled water distribution will be via 4 separate zones with heat exchangers (pressure breaker) to maintain 150 psi operating pressure for the system. Heat exchangers and circulation pumps will be located on 54th, 39th and 11th floor mechanical rooms. Chilled water duplex pumps will be provided for each zone (one pump-duty; second- stand-by).

The system is designed to meet the New York City and State Energy Code.

2. Space Air Conditioning: Space air-conditioning will be provided by chilled water cooling coils located in fan-coil units and air-handling units.

Fan coil units will be as follows or no less equal in

quality and design:

| Symbol | Manufacturer | CFM | Total Capacity BTUH Cooling | Total Capacity BTUH Heating |
|---|---|---|---|---|
| HFCU-A | Titus | 400 | 7,970 | 9,600 |
| HFCU-B | Titus | 600 | 11,800 | 14,600 |
| HFCU-C | Titus | 800 | 15,900 | 18,000 |
| HFCU-C | Titus | 1000 | 19,300 | 23,200 |

O. Ventilation:

1. Kitchens: Kitchens located in 2 Bedroom and larger Units will be provided with mechanical exhaust from kitchen hood for 400 cubic feet of air per minute from each hood. Kitchens located in 1 Bedroom and 0 Bedroom Units will be provided with mechanical general exhaust for 30 cubic feet of air per minute from each kitchen. Kitchen exhaust fans will be Greenheck, models SWB-220-50, SWB-218-30, SWB-115-10, SWB-118-20, SWB-116-10 or approved equal.

2. Bathrooms: Residential bathrooms will be ventilated with an exhaust ventilation system exhausting a minimum of 50 cubic feet of air per minute from each bathroom. Toilet exhaust fans will be integrated within energy recovery units SSM, model HQ-100-AHU-10700-4-1, HQ-45-AHU-6400-4-1, HQ-45-AHU-4400-4-1 or approved equals.

3. Residential Dryers: Dryers located in Residential Units will be ventilated with an exhaust ventilation system exhausting of 200 cubic feet of air per minute from each dryer. Dryer exhaust fans will be manufactured by Exhausto, model BESB-MDVS400, BESB-MDVS315 and manufactured by Reversomatic TLD-300 or approved equals.

4. Non-Residential Bathrooms:
Interior non-residential bathrooms will be ventilated with an exhaust ventilation system exhausting a minimum of 50 cubic feet of air per minute for each water closet and urinal. Toilet exhaust fans will be manufactured by Greenheck, model BSQ-90-4, SWB-107-3 or approved equal.

5. Non-Residential Dryers:
Dryers located in the cellar common laundry room will be ventilated with an exhaust ventilation system. Total capacity of the system is 800 cubic feet of air per minute. Make-up air unit will be manufactured by Greenheck, model LFC-25-FC-7 or approved equal.

6. The Amenity Spaces and Upper Amenity Space:
Outside air for ventilation for amenity spaces will be

provided directly to air-handling units serving these spaces. Energy recovery unit for outside air will be manufactured by Greenheck, model ERV-55-15H or approved equal.

7. Public Corridors: Typical floor corridors will be provided with conditioned air as required by NYC code. Outside air units will be manufactured by Aboveair, model ACC-036-3 or approved equal.

8. Gas Meter Room: Gas meter room will be provided with vent in 2 hour fire rated enclosure.

9. Residential Units: Habitable rooms of Residential Units will be provided with natural ventilation by opening of operable windows only.

10. Garage Garage will be provided with a supply and exhaust system controlled by a CO system. Energy recovery system provided for ventilation will be manufactured by Semco, model HQ-80-AHU-9600-4-1 or approved equal.

11. Refuse Room Trash compactor room located on the 2nd floor will be provided with mechanical exhaust system and air conditioning system.

12. General All spaces in the subcellar, cellar and 1M will be mechanically ventilated at the rate specified by the NYC Mechanical Code.

13. Sound Performance All selected mechanical equipment will be provided to meet sound acoustical requirements in conformance to NYC Building and Noise Codes.

P. Electrical System:

1. Service from main switchgear:
120/208 Volt, three phase, 60 Hz electric service will be provided to the building from Con Edison. Service will be terminated in the cellar and distributed via (3) 4000A bolted pressure service switches. There will be (1) Con Edison CT cabinet and meter for all (3) service switches. Step up and step down dry type transformers will be utilized to facilitate power distribution throughout the building.

a. Service Switch #1 – 4000A, 120/208V, 3 Phase, 4 Wire - 10 SETS 4#900MCM compact Aluminum to main distribution board MDB-LV-7. This distribution board provides service to residential units and amenity floors 2-5. Service to residential units on floors 21-58 is distributed via a 750KVA, 208V-480V 3 phase dry type step up transformer manufactured by Eaton located on the 12th floor.

Service is then stepped back down to 120/208V for distribution to residential units at the 39th floor and the 54th floor by means of 500KVA and 300KVA 480V-120/208V step down transformers, respectively. The transformers are 3 phase, distribution dry type manufactured by Eaton and will have efficiency ratings complying with Nema TP-1 standards.

b. Service Switch #2 – 4000A, 120/208V, 3 Phase, 4 Wire - 12 SETS 4#900MCM compact Aluminum to house distribution board HDB-HV-7 via a 1500VKA, 208V-480V, 3 phase step up distribution dry type transformer manufactured by Eaton located on the 12th Floor. The transformer will have efficiency ratings complying with Nema TP-1 standards. HDB-HV-7 provides service to common house loads throughout the building including, but not limited to elevators, pumps, boilers, cooling towers, exhaust fans, and lighting.

c. Service Switch #3 – 4000A, 120/208V, 3 Phase, 4 Wire - 10 SETS 4#900MCM compact Aluminum to house distribution board HDB-LV-SC. This distribution board provides service to the parking garage, subcellar, cellar, 1st floor and the central chiller plant located on the 39th floor. Service to the chiller plant will be distributed via a 750VKA, 208V-480V, 3 phase step up distribution dry type transformer manufactured by Eaton located on the 12th Floor. The transformer will have efficiency ratings complying with Nema TP-1 standards.

d. Fire Pump Service switches - A 1600A bolted pressure service switch tapped ahead of the main service switches will be provided in the subcellar for the fire pump located in the subcellar. A 1200A bolted pressure service switch tapped ahead of the main service switches will be provided in the subcellar for the fire pump located on the 39th floor. Each fire pump will have a separate Con Edison meter. Feeders from the service switches to the fire pump rooms will be encased in 2 hour fire rated construction.

2. Service to individual Units:

The residential services will be 120/208 Volt, 1 Phase, 3 Wire or 3 Phase, 4 Wire with switch ratings ranging from 125A to 200A. The Residential Unit disconnect switches and submeters will be located in the central building electric closet on floors 12, 38, 40 and 54.

Arc Fault Circuit Interrupters (AFCI) shall be provided as per latest applicable NEC requirements.

3. Unit service:

The equipment will be rated to comply with New York City Code and will take into account all equipment provided in Residential Units, such as washing machines, clothes dryers, dishwashers, microwaves, electric ovens, etc.

4. Adequacy:

a. Service:

Capacity provided for each Residential Unit will be in accordance with Code requirements in various sizes, as noted below. Feeder conductors and circuit breakers are sized in accordance with all New York City Electrical Code requirements. Feeder conductors to each Residential Unit will be copper and will match the service rating at a minimum and will increase based on individual demand and voltage drop requirements. Required number of circuits per Residential Unit panel boards will be provided for an average of 36 circuits. Service will be adequate for modern usage.

| Unit Type | Service Characteristics | Minimum Service Rating |
|---|---|---|
| 0 BR | 120/208V, Single Phase | 125A |
| 1 BR | 120/208V, Single Phase | 125A |
| 2 BR | 120/208V, Single Phase | 150A |
| 2 BR Duplex | 120/208V, Single Phase | 150A |
| 3 BR | 120/208V, Single Phase | 150A |
| 4 BR | 120/208V, Single Phase | 200A |
| Penthouse | 120/208V, Three Phase | 200A |

b. Lighting and fixtures:

Switched lighting fixtures will be provided in bathrooms, foyers, walk-in closets, hallways and kitchens.

c. Convenience outlets, appliance outlets:

Switched receptacles will be provided in each bedroom and living room in compliance with NYC Electrical Code. Ground fault receptacles will be provided in all bathrooms and on top of kitchen counters, where applicable. Water-proof and GFCI receptacles shall be used in all exterior uses. Appliance receptacles will be provided in kitchens and dining rooms. Convenience receptacles will be provided to meet the requirements of the NYC Electrical Code.

Tamper resistant receptacles will be provided in all Residential Units and in the Children's Playroom.

5. Emergency System:

A 277/480 Volt, 3 Phase 600KW/750KVA, 0.8 Power factor standby natural gas fueled emergency generator as manufacturer by Cummins model GTA50CC or approved equal will be provided on the 67th floor roof. The generator will be provided with a sound attenuated enclosure for reduction of emitted noise. The generator shall meet all applicable New York City codes. The following required life safety electrical loads will be supported by the emergency generator:

a. Automatic Fire Pump
b. Special Service Fire Pumps
c. One (1) Passenger Elevator serving all floors
d. Building Fire Alarm System
e. Egress and Exit Lighting

In addition to the above life safety loads the generator shall also support the following optional "comfort" loads during a normal power outage (black out). The emergency system shall be designed so that these loads can be dropped in the event of a life safety emergency that would require the building fire pumps to operate.

a. Domestic Water Pumps
b. 'IT' Loads
c. Sump Pumps
d. Sewage Ejector Pumps
e. Boilers and Hot Water Pumps
f. Heat Tracing for pipe freeze protection
g. Lobby and Amenity Space Heating
h. Lobby and Amenity Space Lighting and Convenience Receptacles.

The generator will not supply power to electric loads within individual Residential Units.

6. Lightning Protection System:

A UL master label faraday cage type lightning protection system will be provided for the building. The system will consist of air strike terminals located around the perimeter of the roof crown which are electrically connected to ground by means of multiple down conductors through the building. This will provide a safe path for electricity to flow to ground (earth) in the event of a lightning strike to the building.

7. FAA Obstruction Lighting:

Dual lamp steady red burning FAA approved LED aircraft warning lights will be provided at the top of the building. The lights will be located at the highest point

of the building at the corners of the roof perimeter. The lights will have a controller and photosensor for dusk to dawn operation.

Q. Telephone, Intercom and Security Systems:

Telephone, broadband and television service will be brought to the Building Main Telecommunication Room. It will then be distributed throughout the Building through risers and sleeves. Each Residential Unit will receive telephone, broadband and television service to a closet within the Unit.

Each Residential Unit will be provided with an audio intercom system (Trigon 6000D or approved equal) that allows communication between the residential unit and lobby desk.

Wiring will be installed in each Residential Unit to enable the Unit Owner to obtain telephone, broadband and television service at the Unit Owner's expense.

Security devices will be provided in common areas. Watchdog or equivalent manufacture to be provided.

The Building will not be equipped with a master television antenna system.

R. Public Area Lighting:

Entrances to the building at grade will be provided with a minimum of one light fixture. Lobbies will be provided with ceiling mounted fixtures. Lobby Level Residents' Garden and 5th floor Residents' Terrace will be provided with a minimum of one light fixture. All lighting levels at the above locations as well as all interior common spaces have been designed in accordance with the NYC Building Code and the Housing Maintenance Code. These fixtures will be wired to the building house meter and controlled by photocells, occupancy sensors, single pole and three way switches and/or a centralized lighting control system.

S. Garage:

The garage will be an unattended, tenant accessory garage with 16 Parking Spaces (PKG1-16) located on the Subcellar (9 spaces), Cellar (5 spaces), 1st Floor (2 spaces). Vehicular access to the facility will be from East 22nd Street, resident access will be through the lobby. The garage will be provided with an automated system for parking the cars. An automobile lift as described in Article I.16 will move the cars from the 1st floor to the parking levels. The structure will be constructed of reinforced concrete and/or concrete block and/or gypsum wallboard and will have fluorescent lighting, mechanical ventilation, and a wet sprinkler system throughout. The walls, concrete floor and concrete ceiling will not receive a finish except

where foil faced insulation will be applied at the ceiling below heated spaces.

The Parking Spaces will be licensed to individual residential occupants only by the Condominium. The costs and expenses to operate and maintain the facility will be borne by the licensees.

T. Swimming Pools: None.

U. Recreation Facilities: Indoor recreation space will be provided in The Amenities located at the 2nd, 4th, 5th and 54th floors as described in Article J. No outdoor recreation space will be provided.

V. Permits and Certificates: The building is being constructed under a New Building Permit.

W. Violations: Sponsor will cause all violations to be cured and/or removed of the record prior to issuance of the permanent Certificate of Occupancy.

X. Vaults: None.

Y. Unit Information:

1. Residential Unit Information:

There will be 83 Residential Units.

Top of finish floor to underside of finished ceiling heights in the Units will be approximately 10'-0"-10'-6" in living rooms and bedrooms rising to approximately 23'-1" in the double-height portion of the PH living room. Ceiling heights in the Residential Units will be approximately 9'-0" in kitchens, secondary bedrooms, hallways, closets and approximately 8'-6" in powder rooms, bathrooms and hallways. Ceiling heights in the public corridors will be approximately 8'-6". At beam drops and/or where there are concealed mechanical pipes or ducts or dropped ceilings, heights may be lower than the above stated heights and may also vary slightly from room to room.

The types of Residential Units, together with the type and number of rooms in each of the same, are as follows. A '.5 bathroom' is without shower or bathtub.

| Type/ Rooms | Unit | Floor |
|---|---|---|
| | | |
| 0 BEDROOM | | |
| Studio, Kitchen, and 1.0 Baths | Unit: A, B, C, D | Floor: 14 |

| Type/ Rooms | Unit | Floor |
|---|---|---|
| | | |
| 1 BEDROOM | | |
| 1 Bedroom, Living /Dining Room, Kitchen, and 1.0 Baths | Unit: B | Floor: 15, 16, 17, 18, 19, 20, 21, 22, 23, 24 |
| | | |
| 2 BEDROOM | | |
| 2 Bedrooms, Living /Dining Room, Kitchen, and 2.0 Baths | Unit: A<br>Unit: A, B | Floor: 11, 15, 16<br>Floor: 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38 |
| | | |
| 2 BEDROOM DUPLEX | | |
| 2 Bedrooms, Living /Dining Room, Kitchen, and 2.0 Baths | Unit: B | Floor: 40-41, 42-43, 44-45, 46-47, 48-49, 50-51, 52-53 |
| | | |
| | | |
| 2 BEDROOM DUPLEX | | |
| 2 Bedrooms, Living /Dining Room, Kitchen, Scullery, Office, Lounge, Screening Room, 2.0 Baths and 2.0 Half Baths | Unit: PH | Floor: 64-65<br>Double height Living Room extends to 66th Floor. |
| | | |
| 3 BEDROOM | | |
| 3 Bedrooms, Living /Dining Room, Kitchen, and 3.0 Baths | Unit: A<br><br>Unit: A | Floor: 17, 18, 19, 20, 21, 22, 23, 24, 25<br>Floor: 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53 |
| | | |
| 4 BEDROOM | | |
| 4 Bedrooms, Living /Dining Room, Kitchen, Scullery, and 4.5 Baths | Unit: A | Floor: 55, 56, 57, 58, 59, 60, 61, 62, 63 |
| | | |
| | | |

Fixtures and Appliances: Subject to Sponsor's right to make substitutions of no less equal in quality and design, the Residential Units will be equipped with the following fixtures and appliances:

| ITEM | DESCRIPTION | UNITS |
|---|---|---|
| Dishwasher | Miele G4570 SCVi | Residential Units 14 A, B, C, D. |
| Dishwasher | Miele G5675 SCVi | All Residential Units except. Residential Units 14 A, B, C, D. |

| ITEM | DESCRIPTION | UNITS |
|---|---|---|
| Electric Single Wall Oven | Miele H 4886 BP | All Residential Units except. Residential Units 14 A, B, C, D. |
| Electric Speed Single Wall Oven | Miele H 4086 BM | All Residential Units. |
| Gas Cooktop (4 burner) | Miele KM 3465 G | Residential Units 11A, 14 A, B, C, D, 16-38B. |
| Gas Cooktop (5 burner) | Miele KM 3475 G | Residential Units 15-38A, 40-53 A, B. |
| Gas Cooktop (6 burner) | Miele KM 3485 G | Residential Units 55-63A, PH. |
| Range Hood (vented) | Miele DA3480 | Residential Units 11A, 14 A, B, C, D, 16-38B. |
| Range Hood (vented) | Miele DA3490 | Residential Units 16-38A, 40-53 A, B. |
| Range Hood (vented) | Miele DA2210 | Residential Units 55-63A, PH. |
| Microwave | Miele M 8260 | All Residential Units. |
| Refrigerator | Subzero IT-30CIID | Residential Units 14 A, B, C, D, 15-38A. |
| Refrigerator | Subzero QRIC-30RID | Residential Units 55-63A |
| Refrigerator | Subzero IT-36RID | Residential Units 15-38A, 40-53 A, B, 55-63A, PH. |
| Freezer | Subzero IT-30FI | Residential Units 55-63A, PH. |
| Freezer | Subzero QRIC-24FI | Residential Units 15-38A, 40-53 A, B. |
| Wine Storage | Subzero 427RG | Residential Units 55-63A, PH. |
| Undercounter Wine Storage | Subzero QR424G | Residential Units 17-38A, 40-53 A, B. |
| Kitchen Sink | Waterworks UNSK18 | All Residential Units. |
| Kitchen Faucet/Handspray | Waterworks EAKM01/EAKM07 | All Residential Units. |
| Wet Bar Sink | Waterworks NOSK30AC | Residential Units 17-38A, 40-53A, PH. |
| Wet Bar Faucet | Waterworks HNKM10AB (no spray) | Residential Units 17-38A, 40-53A, PH. |
| Scullery Sink | Kohler, K-5832-5U | Residential Units 55-63A, PH. |
| Scullery Faucet | Chicago Faucet, 445-DJ13 | Residential Units 55-63A, PH. |
| Food Waste Disposer | Insinkerator 76000 | All Residential Units. |
| Clothes Washer | LG WM1355HW | Residential Units 14 A, B, C, D, 15-24B. |
| Clothes Dryer (electric, recirculating) | LG DLEC855W | Residential Units 14 A, B, C, D, 15-24B. |
| Clothes Washer | LG WM4070HWA | All Residential Units except 14 A, B, C, D, 15-24B. |

| ITEM | DESCRIPTION | UNITS |
|---|---|---|
| Clothes Dryer (electric, vented) | LG DLEX4070V | All Residential Units except 14 A, B, C, D, 15-24B. |
| Water Closets | Toto ALWC01 | All Master Bathrooms, Secondary Bathrooms, Powder Rooms. |
| Lavatories | Waterworks Custom | All Powder Rooms. |
| Lavatories | Waterworks Custom | All Secondary Bathrooms. |
| Lavatories | Waterworks Custom | All Master Bathrooms. |
| Bathtubs | Waterworks WWBT70S | All Secondary Bathrooms. |
| Bathtubs | Waterworks CXBT21 | Master Bathrooms at Residential Units 15-25A, 27-38B, 40-53A, B, 55-63A, PH. |
| Bathtubs | Waterworks CBBT01 | Master Bathrooms at Residential Units 55-63A, PH |

Finish Schedule: The following is a finish schedule for a typical Residential Unit:

| Location | Floor | Base | Walls | Ceiling | Remarks |
|---|---|---|---|---|---|
| Foyer, Corridors | wood | wood | gypsum board-painted | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | |
| Living Rooms, Dining Room, Family Rooms, Closets, All other rooms and halls in Unit. | wood | wood | gypsum board-painted | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | |
| Bedroom | wood | wood | gypsum board-painted | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | |
| Master Bathroom | stone tile | Stone tile | WR gypsum board | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | Full height stone tile, mirror, stone countertop |

| Location | Floor | Base | Walls | Ceiling | Remarks |
|---|---|---|---|---|---|
| Secondary Bathroom | stone tile | stone tile | WR gypsum board | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | Full height ceramic tile / stone countertop, mirror |
| Powder Room | stone tile | stone tile | WR gypsum board | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | Full height wood panels, mirror, stone countertop |
| Kitchen | wood | wood | WR gypsum board-painted | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | stone countertops and backsplash |
| Laundry Closet | wood | wood | gypsum board-painted | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | |
| Scullery | wood | wood | WR gypsum board-painted | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | stone countertops and backsplash |
| Wet Bar | wood | wood | WR gypsum board-painted | Conc. w/ Kadex-painted and/or Hung gypsum board-painted | stone countertops, full height stone sidesplash, full height mirror backsplash. |

Wood flooring will be approximately ¾"thick solid wood.

Z. Substitutions: The Sponsor reserves the right to substitute materials, appliances, fixtures and equipment of no less equal in quality and design than those set forth in this report.

AA. Safety and Warning Devices:

New hardwired combination carbon monoxide/smoke detectors with built-in sounder (BRK Model SC9120B or approved equal) will be installed in and outside of bedrooms in Residential Units per 2008 NYC Building Code requirements. Area smoke detectors will be installed in all electrical and mechanical equipment rooms, elevator lobbies and as otherwise required by the NYC Building Code. New duct mounted smoke detectors will be provided in all supply air handling units with a capacity in excess of 2,000 cfm which is also a 2008 New York City Building Code requirement.

A Fire Alarm System without alarm notification devices

but with one-way voice communication from the fire command center to the dwelling units and exit stairs will be installed per 2008 NYC Building Code requirements.

The building will be provided with an automatic smoke, heat and sprinkler alarm system (Edwards System Technology a United Technologies Company EST-3 or approved equal). Notification devices are not required as per 2008 NYC Building Code requirements.

BB. Additional Information:

To the best of my knowledge, belief and professional judgment, these plans and specifications are in compliance with the 2011 New York City Energy Conservation Construction Code (NYCECC) Chapter 5 Commercial Energy Efficiency.

As specified, the gypsum wallboard in this Building will be manufactured in the US and may contain non-detectable amounts of sulfides.

The architect of record, Goldstein, Hill & West Architects, LLP has not been retained by the sponsor to perform controlled inspection/ commissioning agent on the project.

We have been advised by Sponsor that the following documents shall be transferred to the condominium management upon transfer: Operation & Maintenance (O&M) manuals for mechanical equipment; electronic system manual, equipment warranties; roof warranty; major equipment start-up sheets; control system as-built; original/most recent test and balance report for HVAC; final as-built mechanical, electrical and plumbing drawings as maintained during construction.

CC. Additional Information on Floor Areas of Units:

The approximate floor area of each Unit, exclusive of floors 55-66, has been measured horizontally, on each of one or more floors, from the exterior side of the exterior Building walls (curtain wall), the Building Line or Property Line to the midpoint of an interior partition separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element or to the common side of a continuous structural element separating one Unit from public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element.

The approximate floor area of each Residential Unit on floors 55-66, has been measured horizontally, on each of one or more floors, from the exterior side of the curtain wall to the exterior side of the curtain wall. Columns and mechanical pipes and shafts, or any other

common element (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

The foregoing constitutes a true, correct and complete Description of Property by our firm for the property located at 41-45 East 22nd Street, New York, New York.

Dated: 7/23/14

Alan Goldstein, A.I.A.

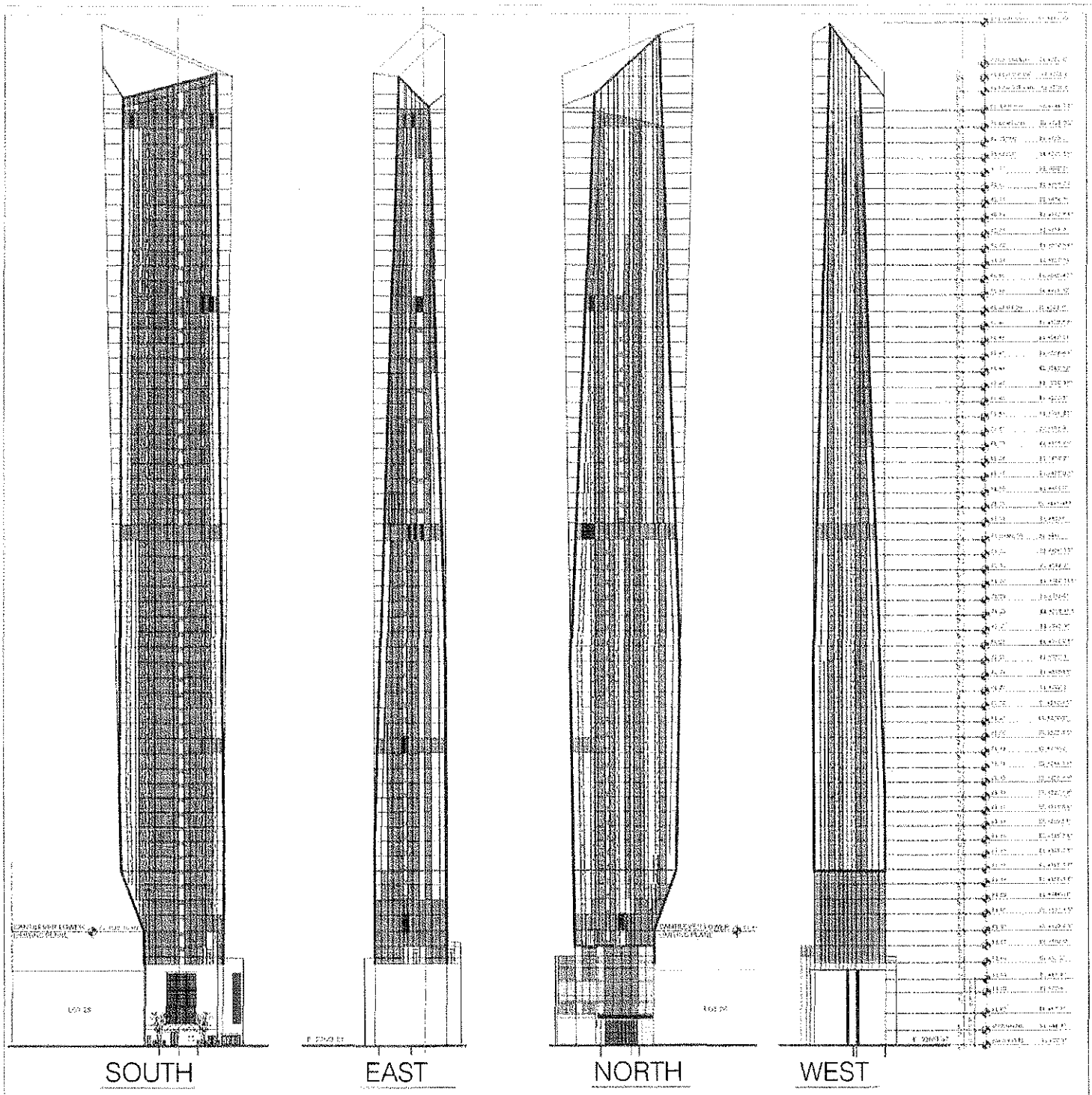
REGISTERED ARCHITECT
ALAN L. GOLDSTEIN
No. 013416
UNIVERSITY OF THE STATE OF NEW YORK

**EXHIBIT "7"**

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**FLOOR PLANS**

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# EXTERIOR ELEVATIONS

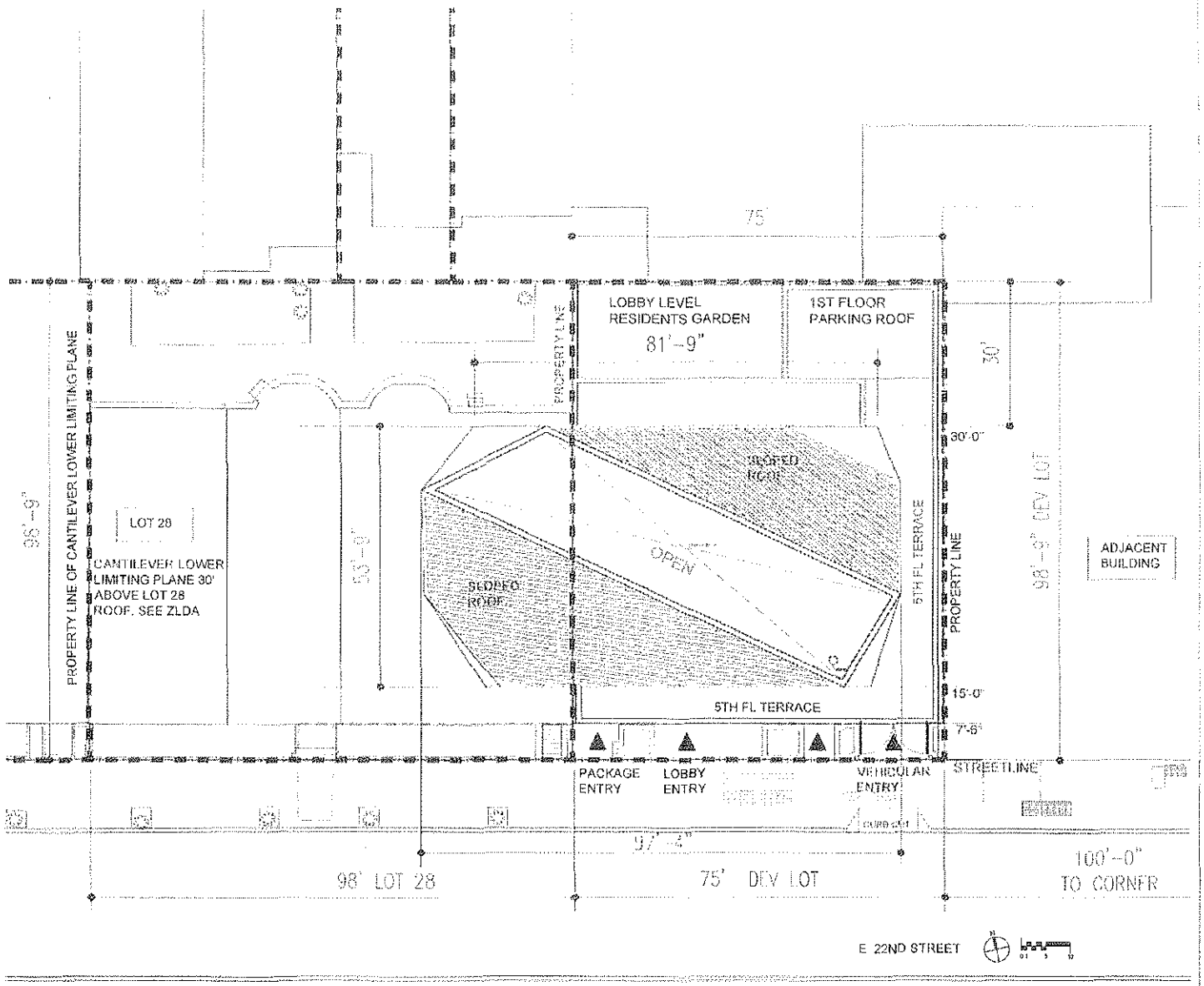
## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan

EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16




# SITE PLAN

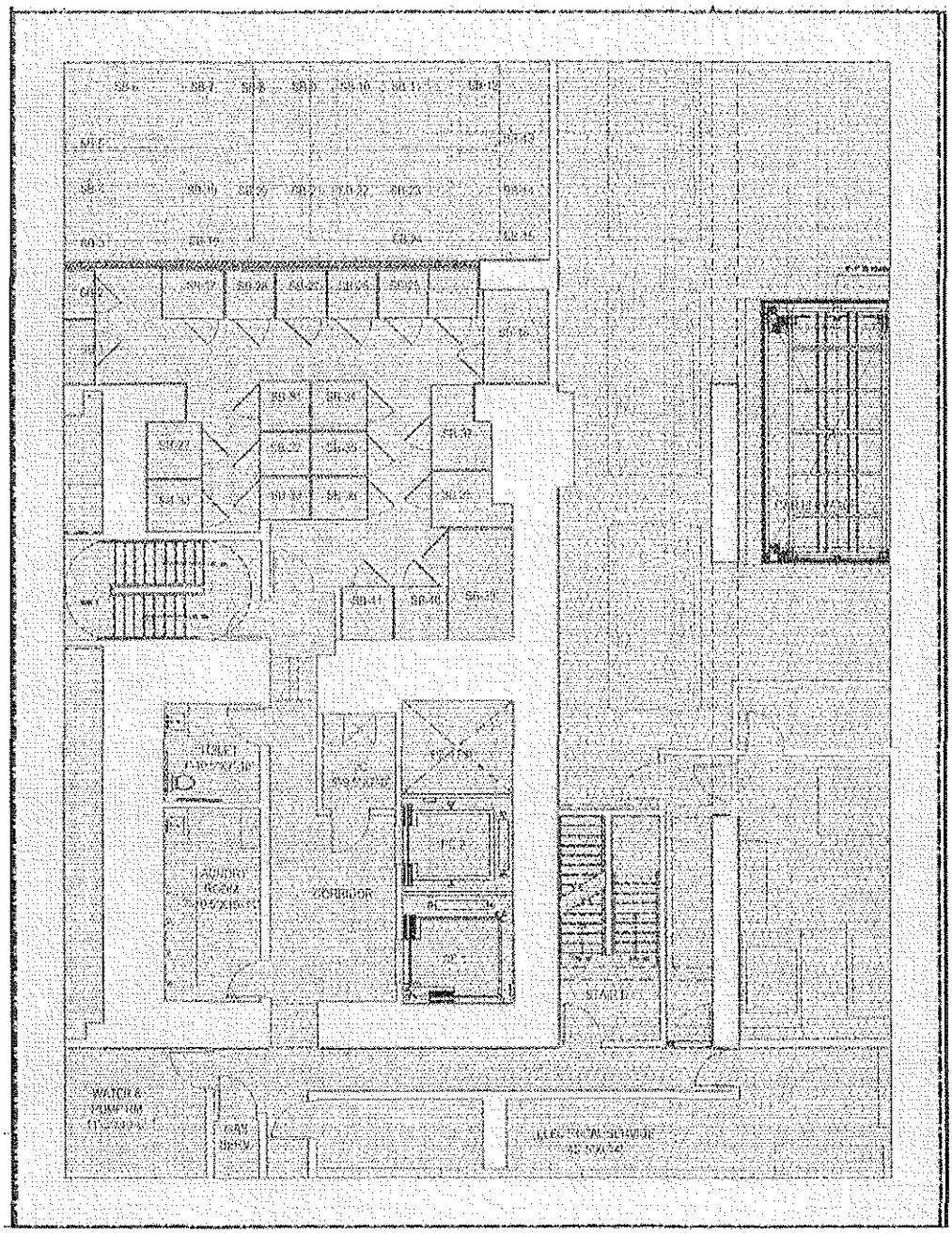
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NEW YORK, NY 10010

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EAST 22ND STREET ACQUISITIONS HOLDING LLC

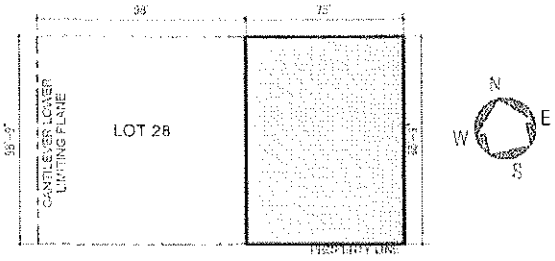
2014/07/16




# CELLAR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

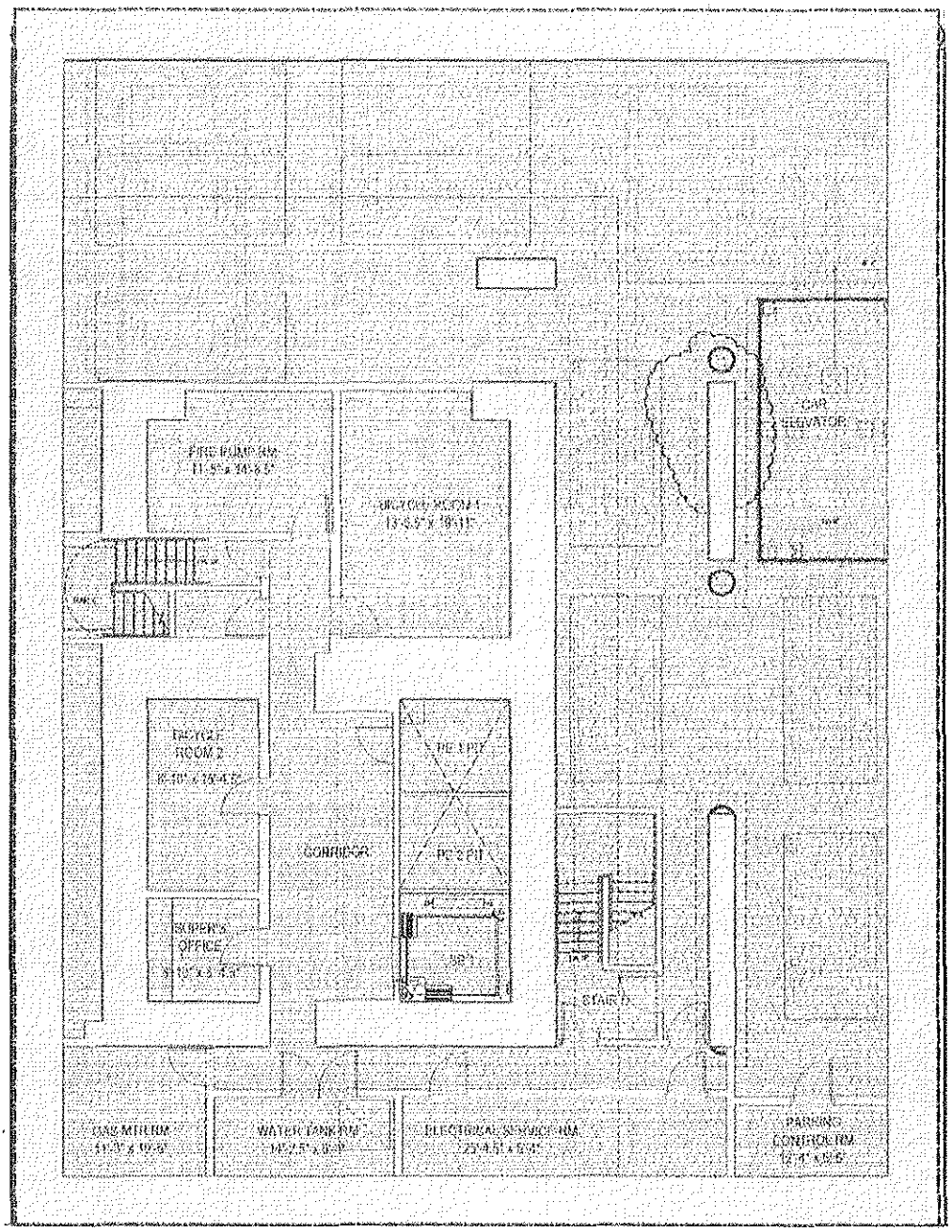
## 45 EAST 22ND STREET

NEW YORK, NY 10010

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EAST 22ND STREET ACQUISITIONS HOLDING LLC

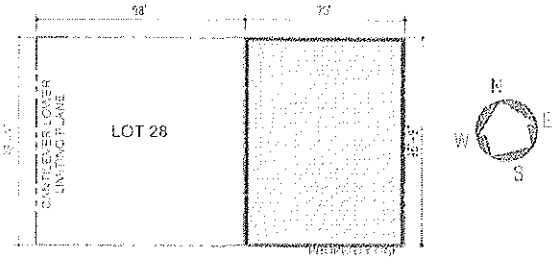
2014/07/16




# SUB-CELLAR

COMMON ELEMENT

KEY PLAN



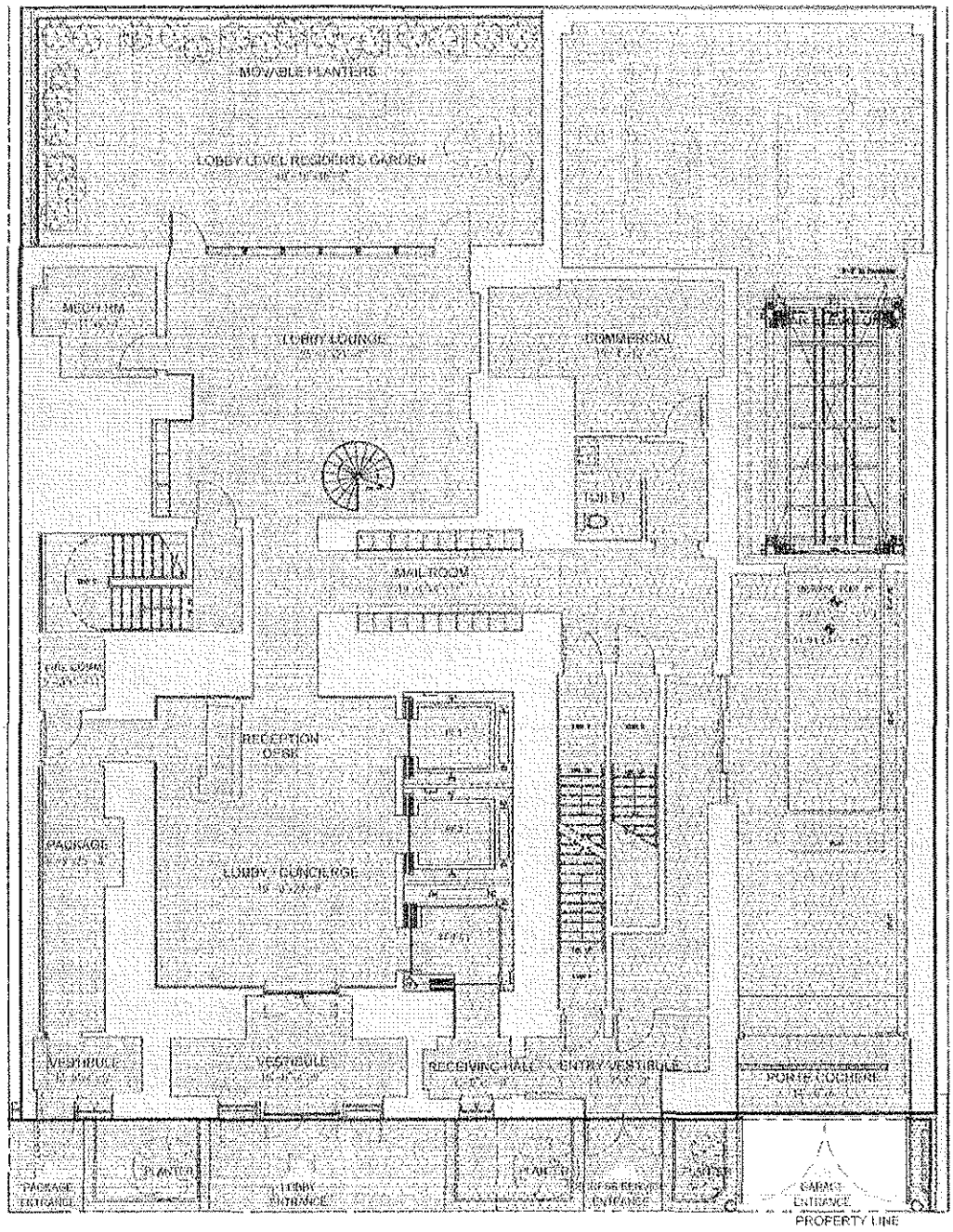

## 45 EAST 22ND STREET

NEW YORK, NY 10010

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EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/0/16

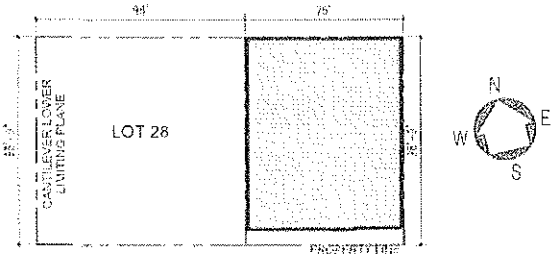



E. 22ND STREET

# 1ST FLOOR

COMMON ELEMENT

KEY PLAN



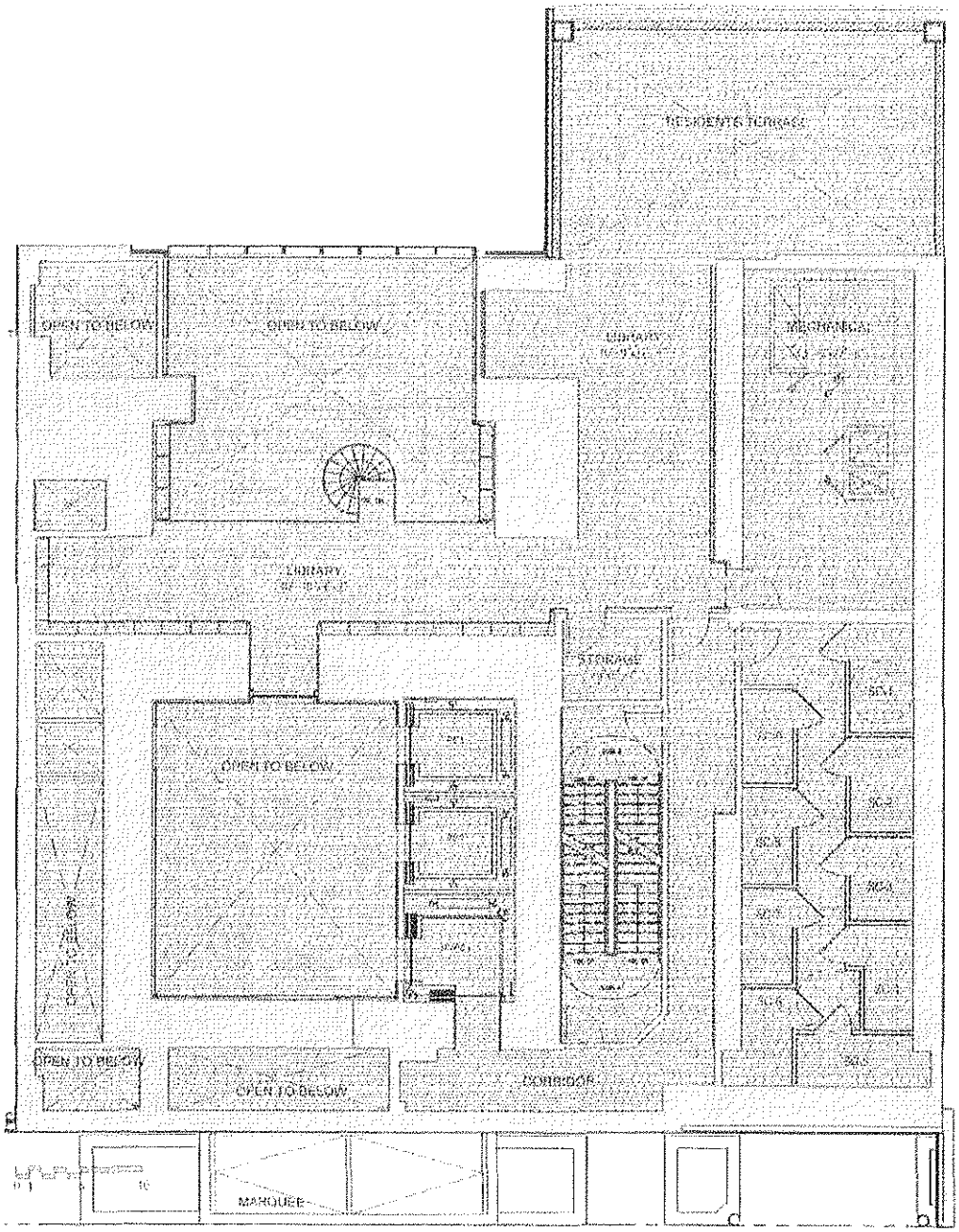

## 45 EAST 22ND STREET

NEW YORK, NY 10010

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EAST 22ND STREET ACQUISITIONS HOLDING LLC

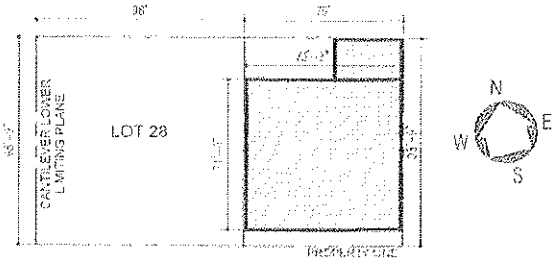
2014/07/16




1M

COMMON ELEMENT

KEY PLAN



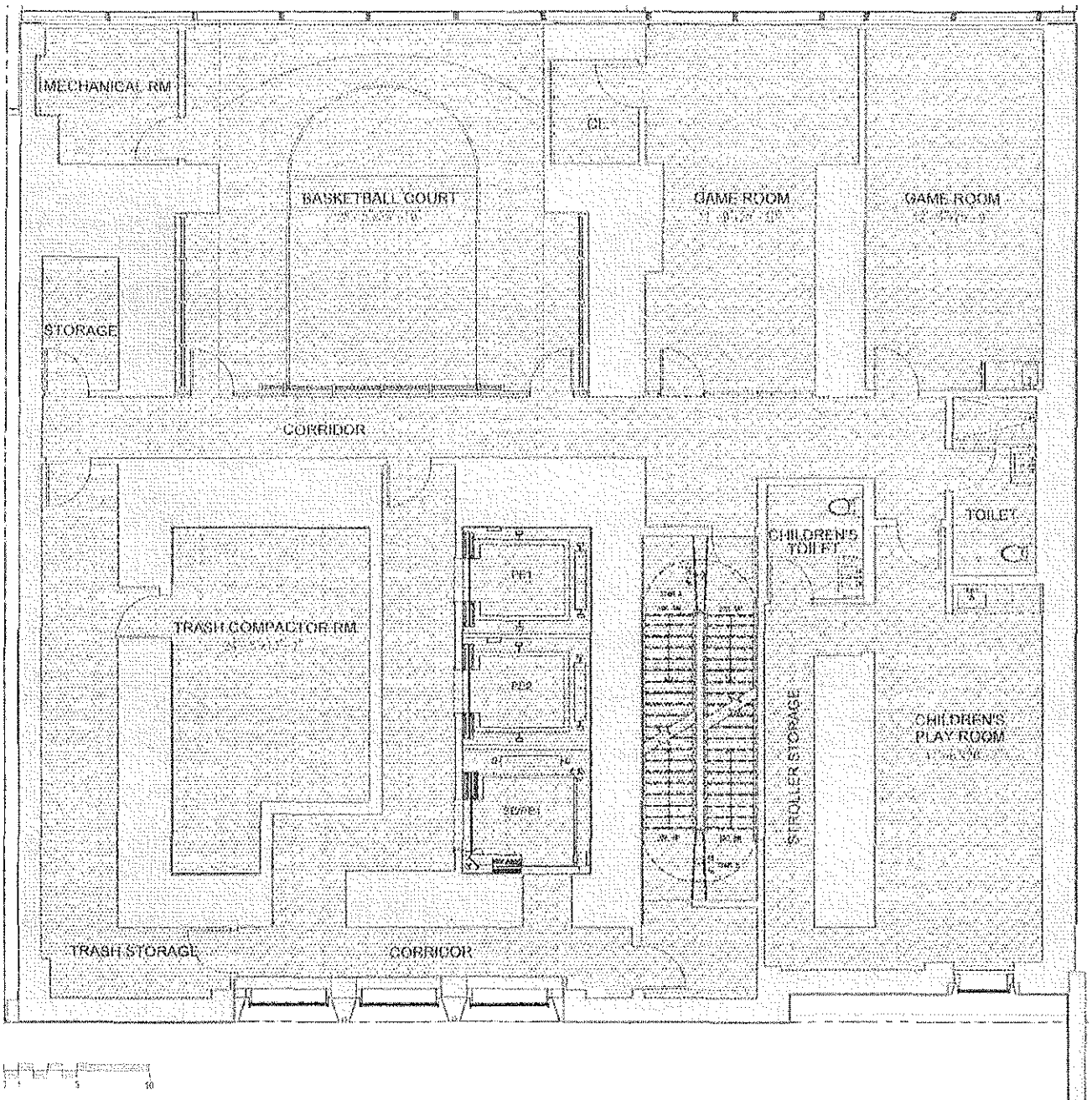

# 45 EAST 22ND STREET

NEW YORK, NY 10010

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EAST 22ND STREET ACQUISITIONS HOLDING LLC

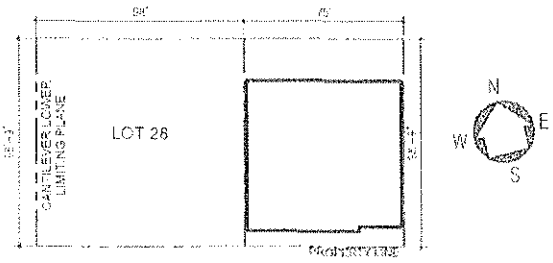
2014/07/16




# 2ND FLOOR

COMMON ELEMENT

KEY PLAN



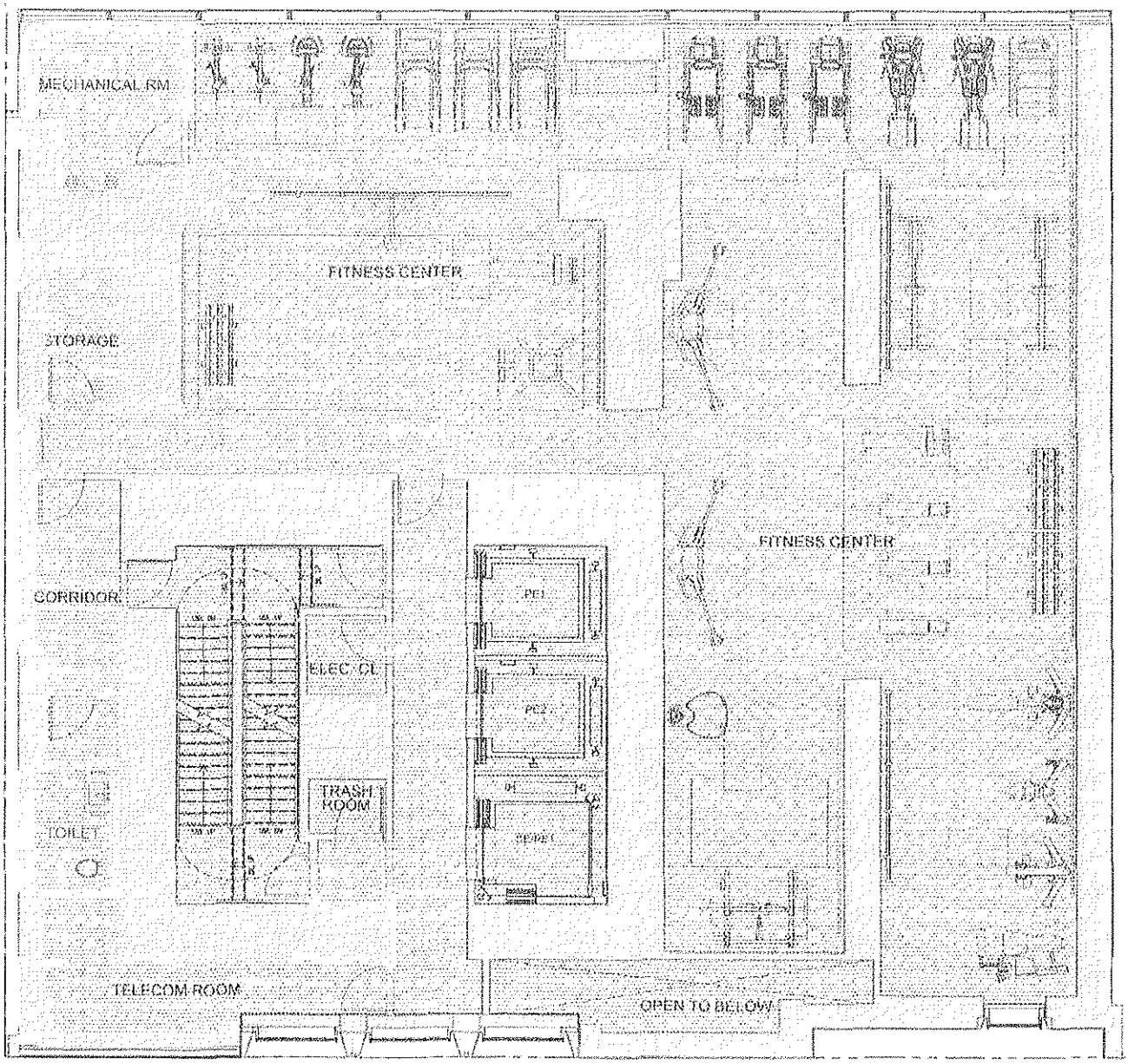

## 45 EAST 22ND STREET

NEW YORK, NY 10010

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EAST 22ND STREET ACQUISITIONS HOLDING LLC

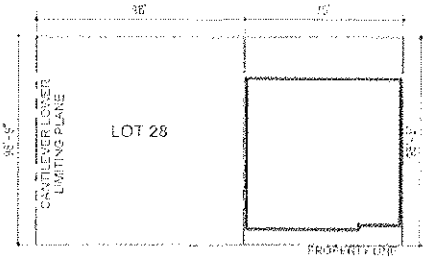
2014/07/16




# 4TH FLOOR

COMMON ELEMENT

KEY PLAN



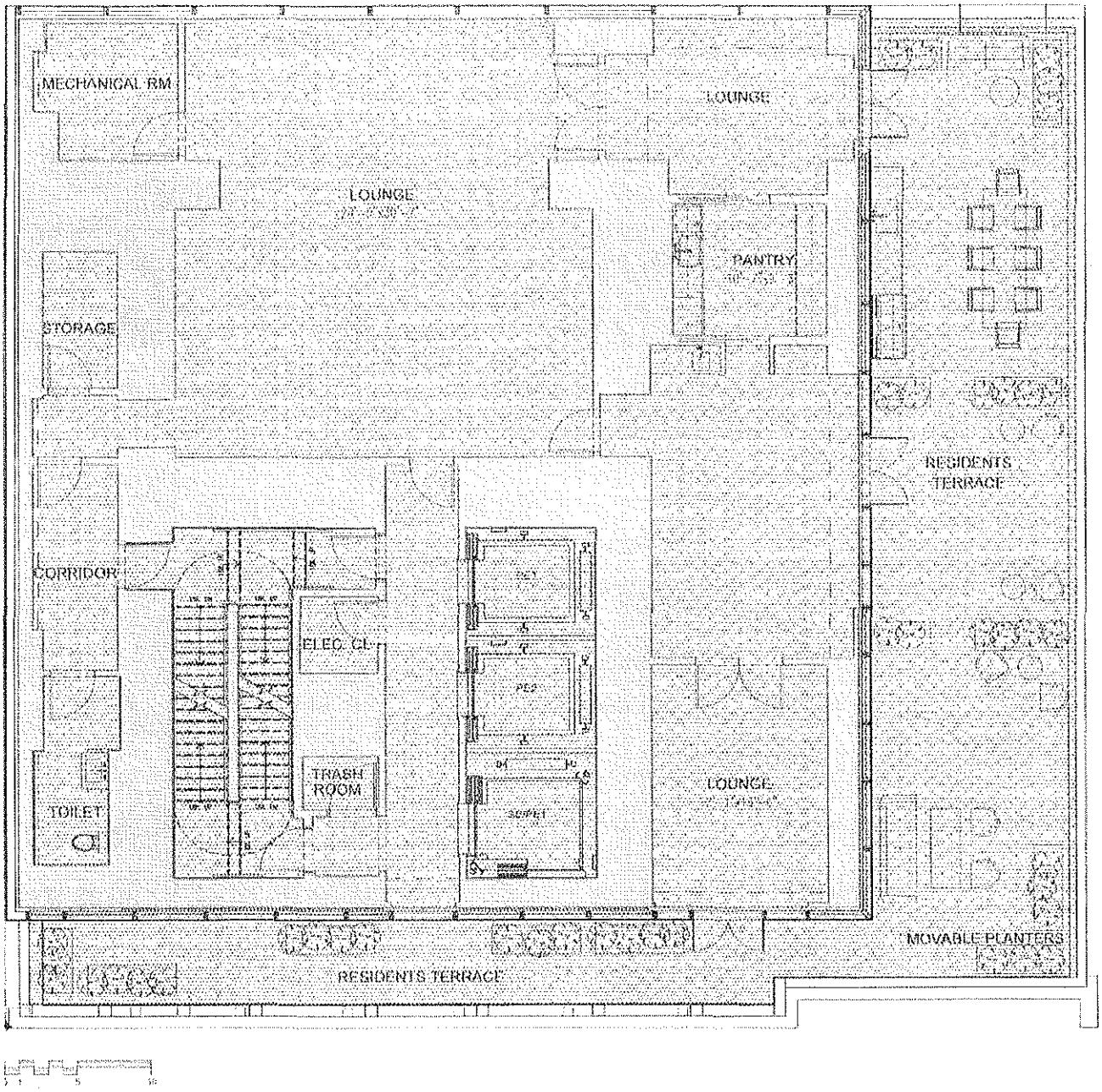

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

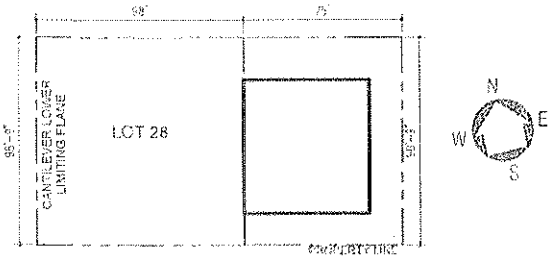
2014/07/16




# 5TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

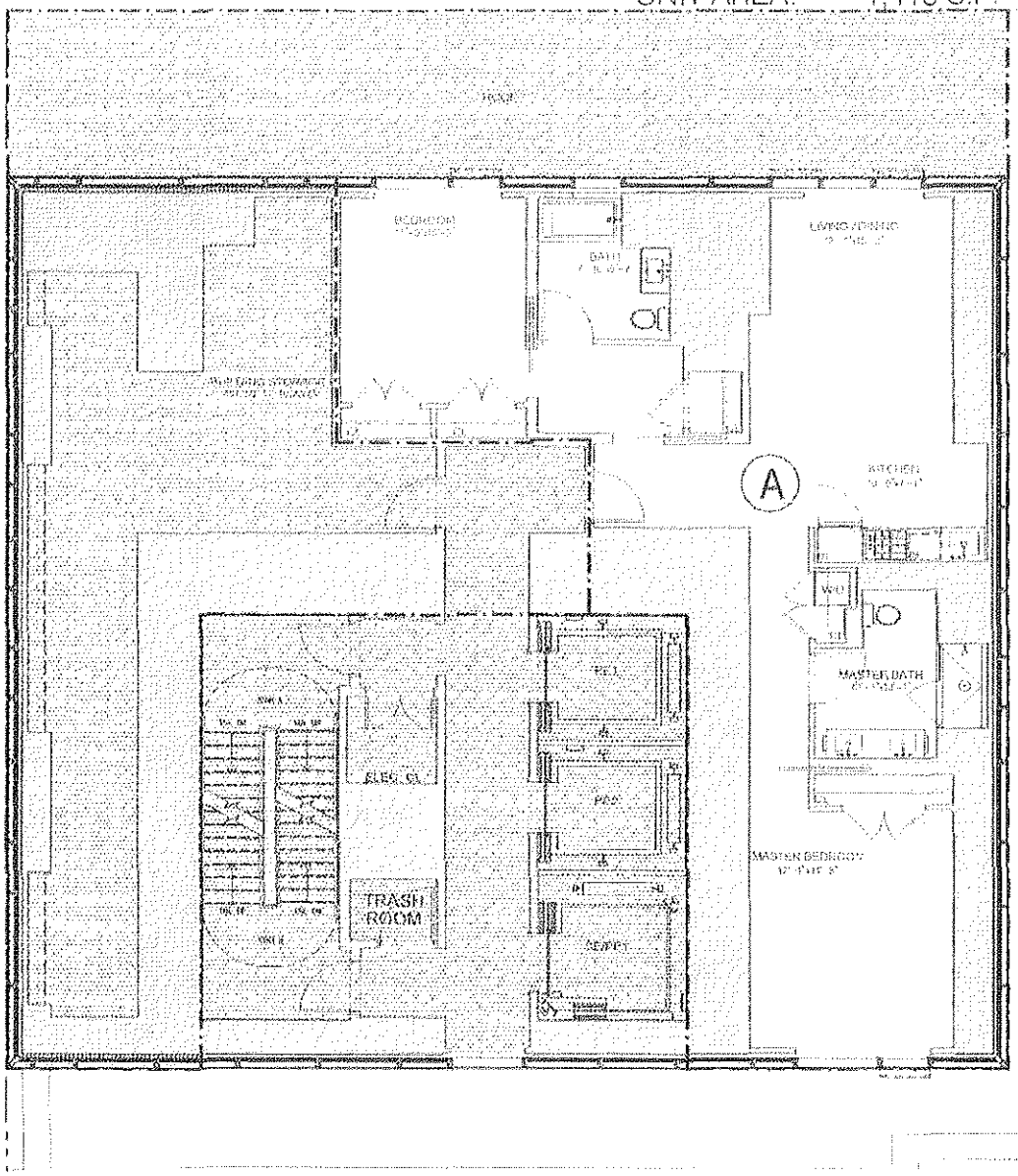
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 11B

2 BEDROOMS
2 BATHS

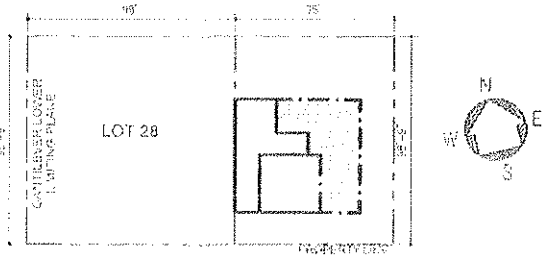
UNIT AREA: 1,415 S.F.




## 11TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

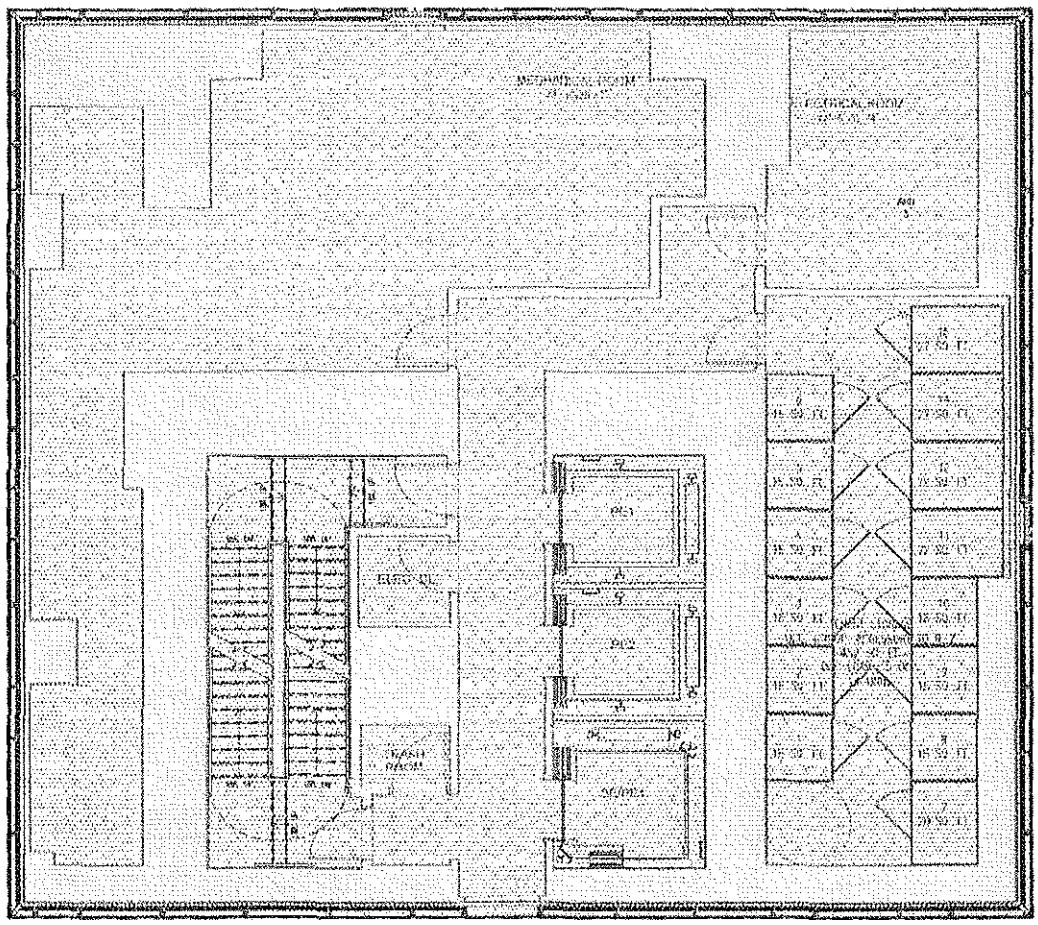
NEW YORK, NY 10010

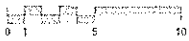
All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# MECHANICAL FLOOR

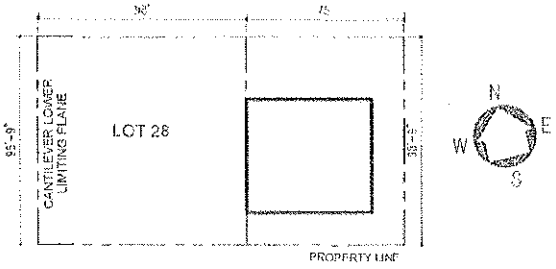





## 12TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

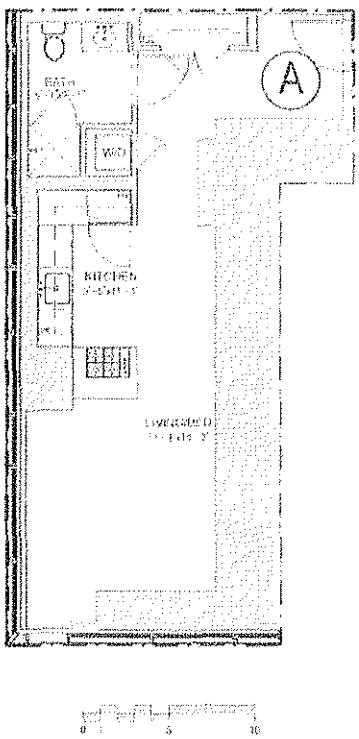
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 14A

0 BEDROOM
1 BATH

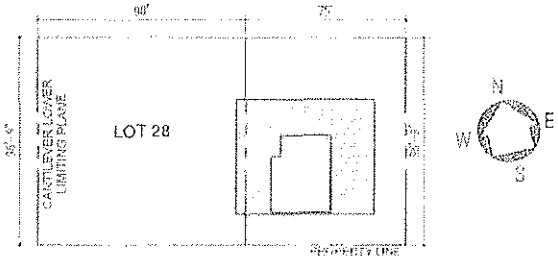
UNIT AREA: 642 S.F.




## 14TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

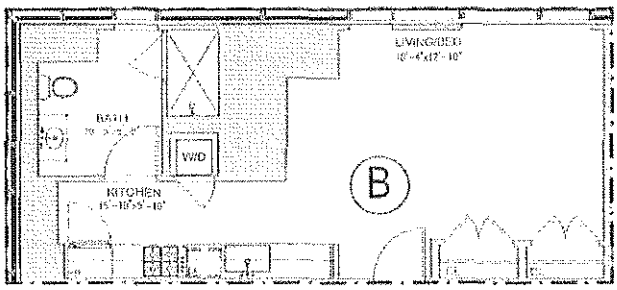
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 14B

0 BEDROOM
1 BATH

UNIT AREA: 570 S.F.

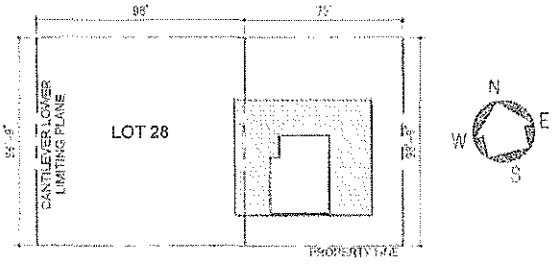





## 14TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

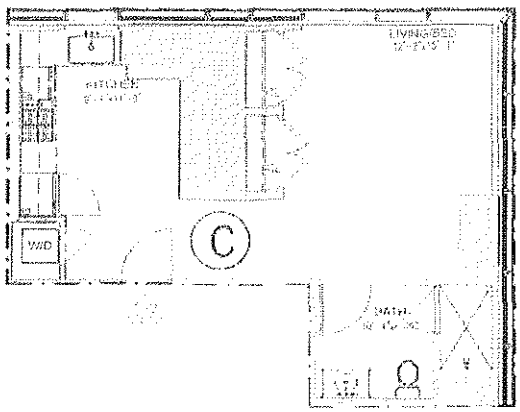
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 14C

0 BEDROOM
1 BATH

UNIT AREA: 559 S.F.



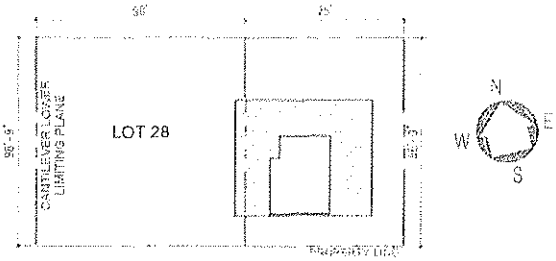




## 14TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

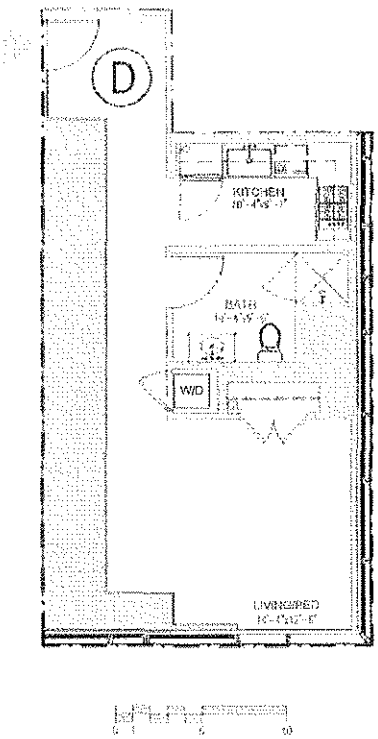
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 14D

0 BEDROOM
1 BATH

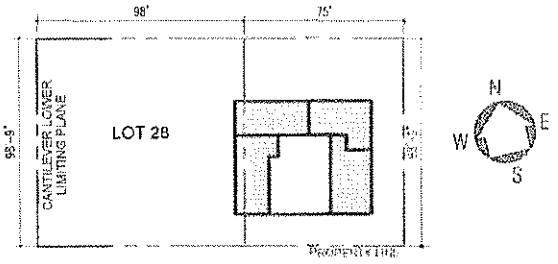
UNIT AREA: 636 S.F.




## 14TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

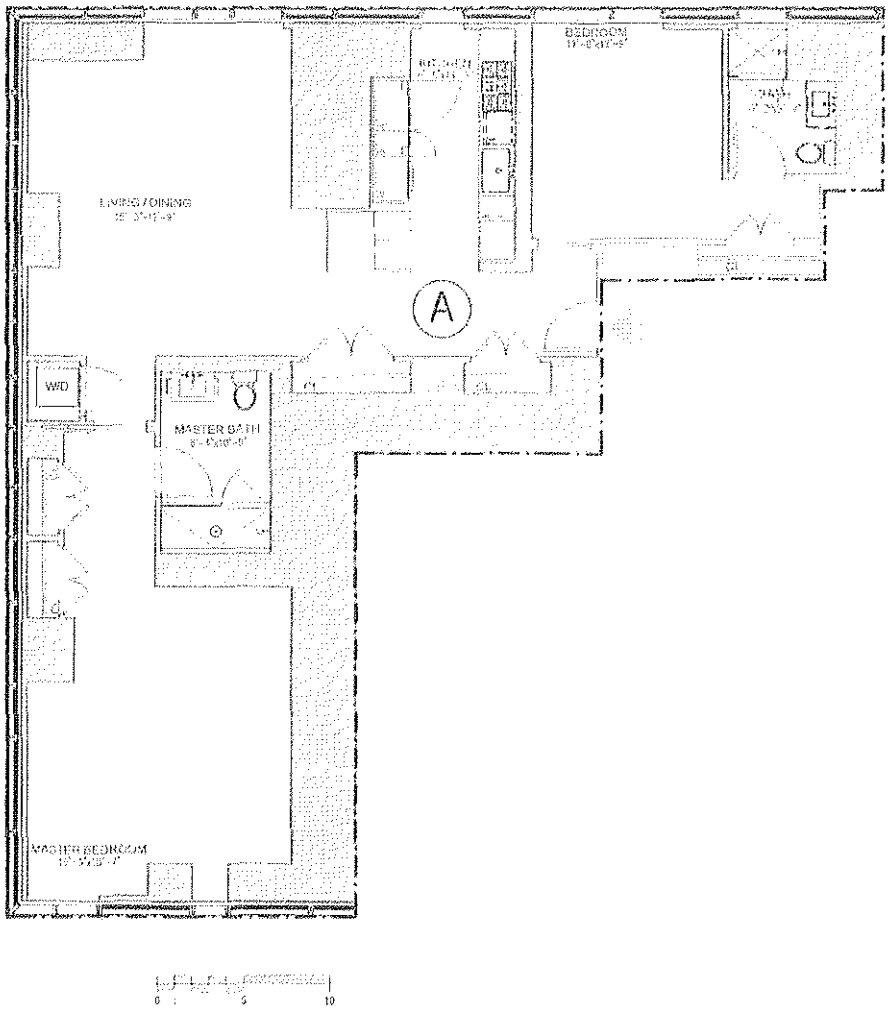
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 15A

2 BEDROOMS
2 BATHS

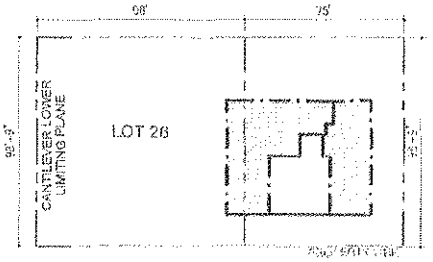
UNIT AREA: 1,708 S.F.




## 15TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

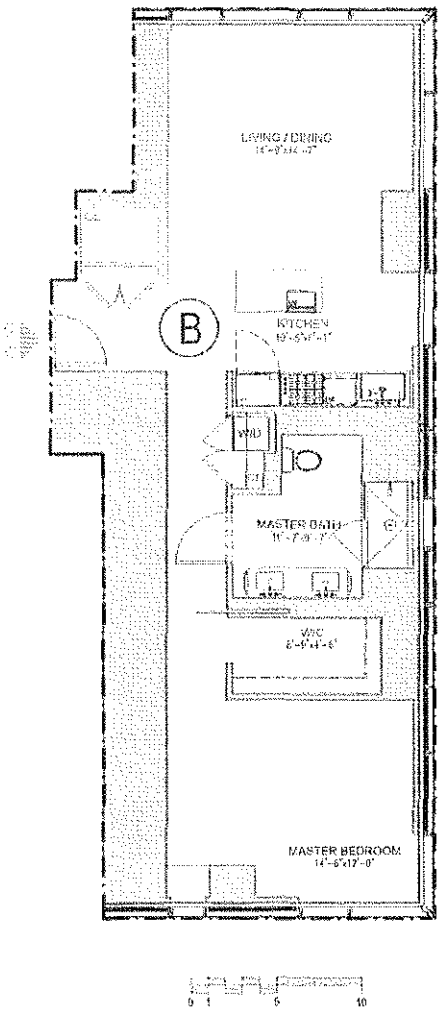
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 15B

1 BEDROOM
1 BATH

UNIT AREA: 1,065 S.F.



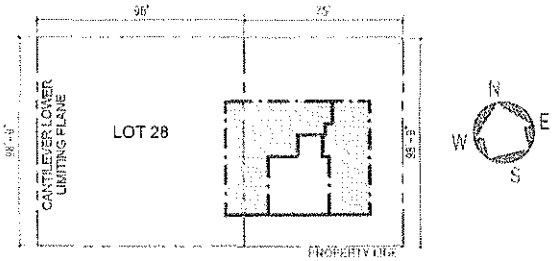




## 15TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan

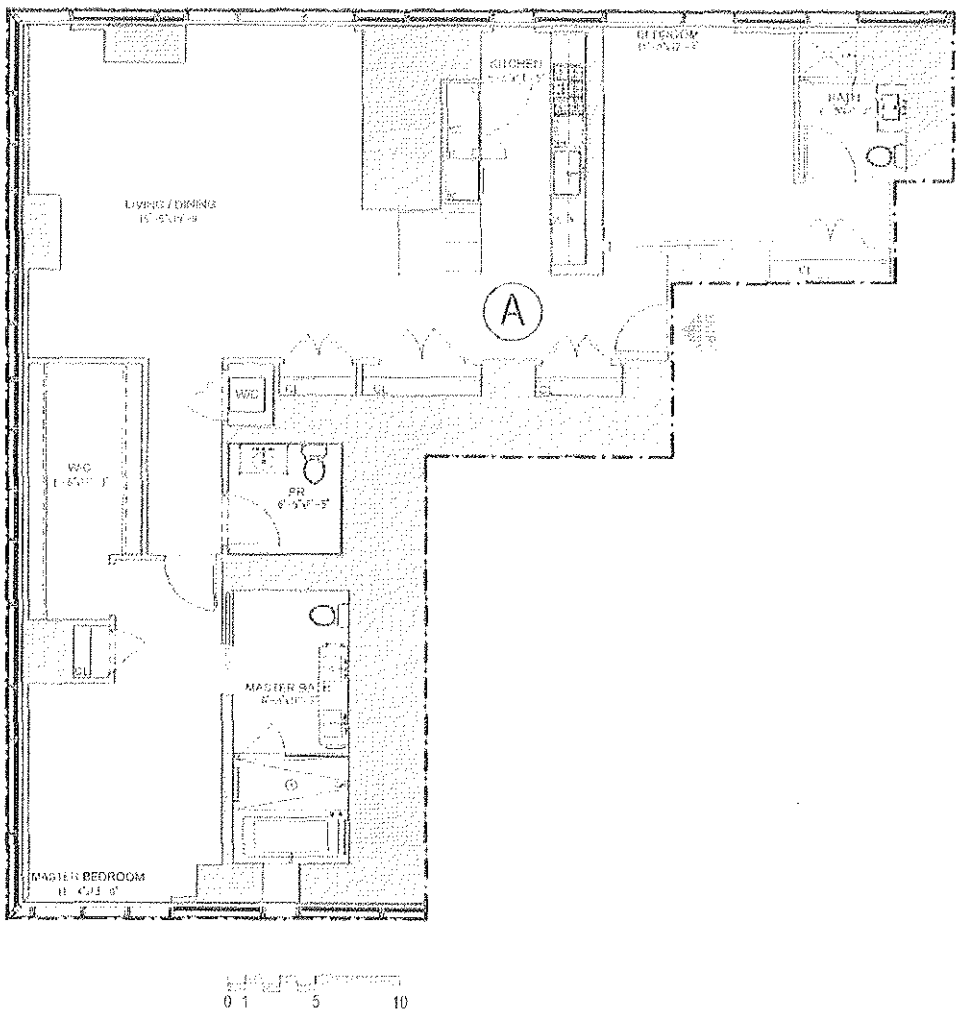
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/10

# RESIDENCE 16A

2 BEDROOMS
2 1/2 BATHS

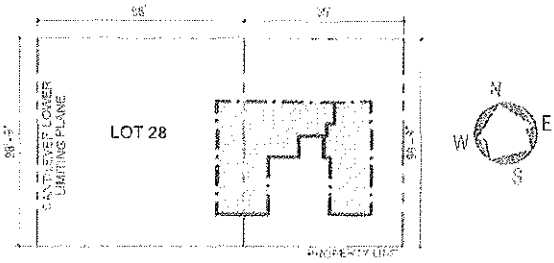
UNIT AREA: 1,930 S.F.




## 16TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

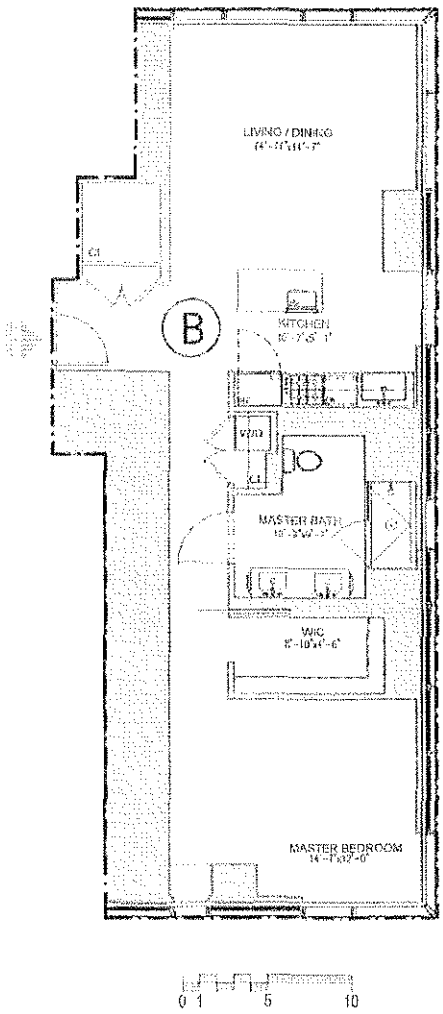
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 16B

1 BEDROOM
1 BATH

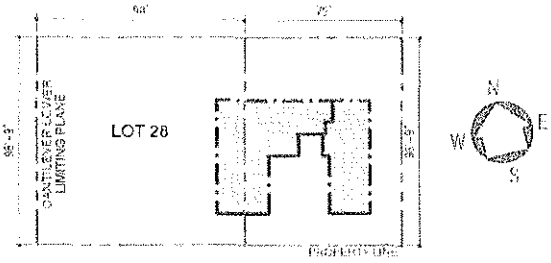
UNIT AREA: 1,074 S.F.




## 16TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

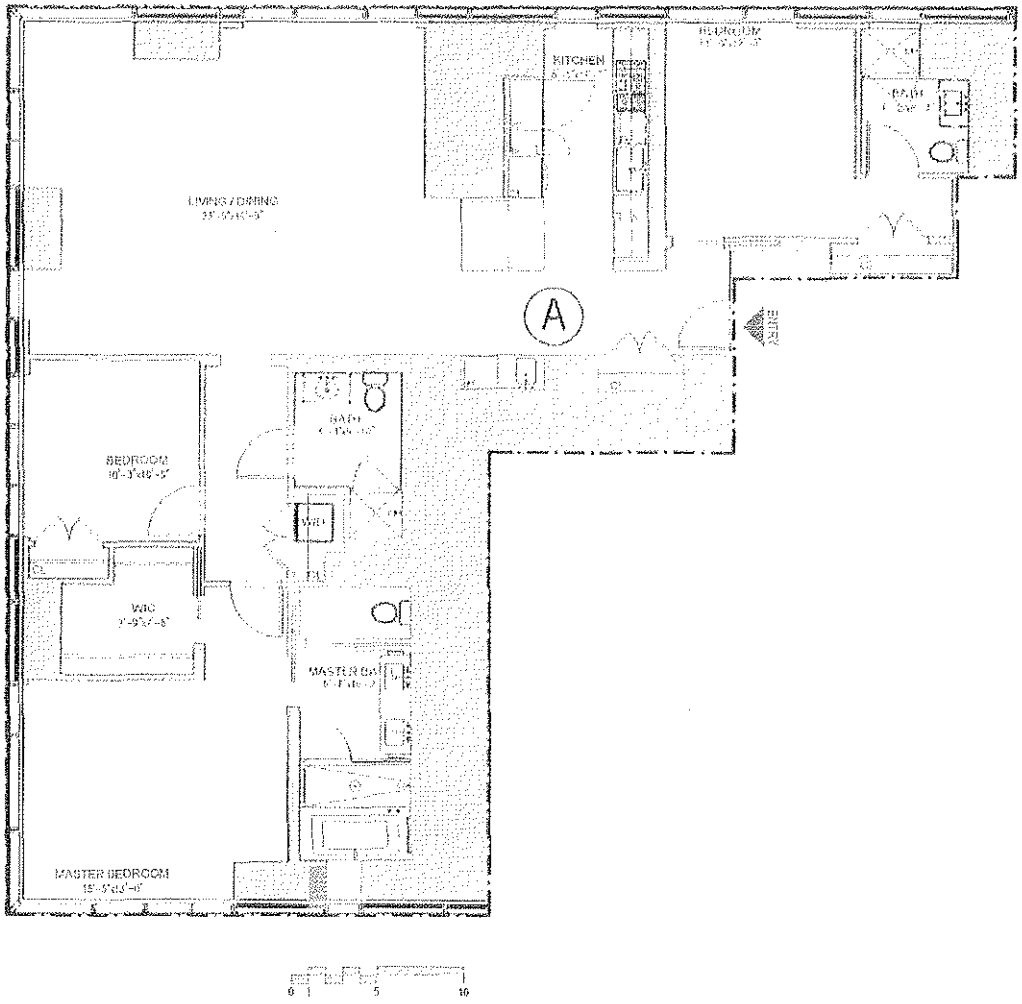
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 17A

3 BEDROOMS
3 BATHS

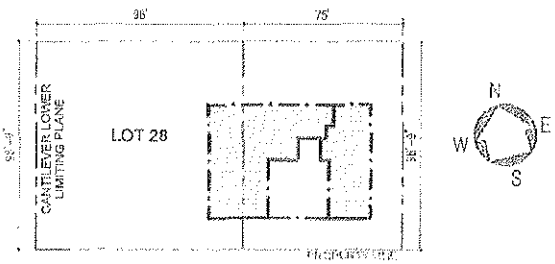
UNIT AREA: 2,125 S.F.




## 17TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

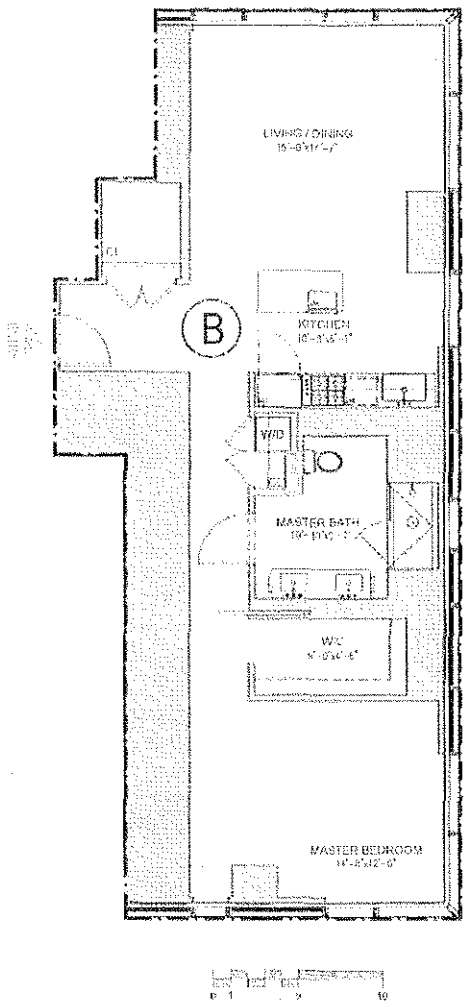
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 17B

1 BEDROOM
1 BATH

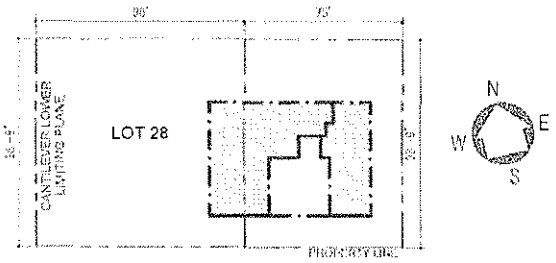
UNIT AREA: 1,091 S.F.




## 17TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

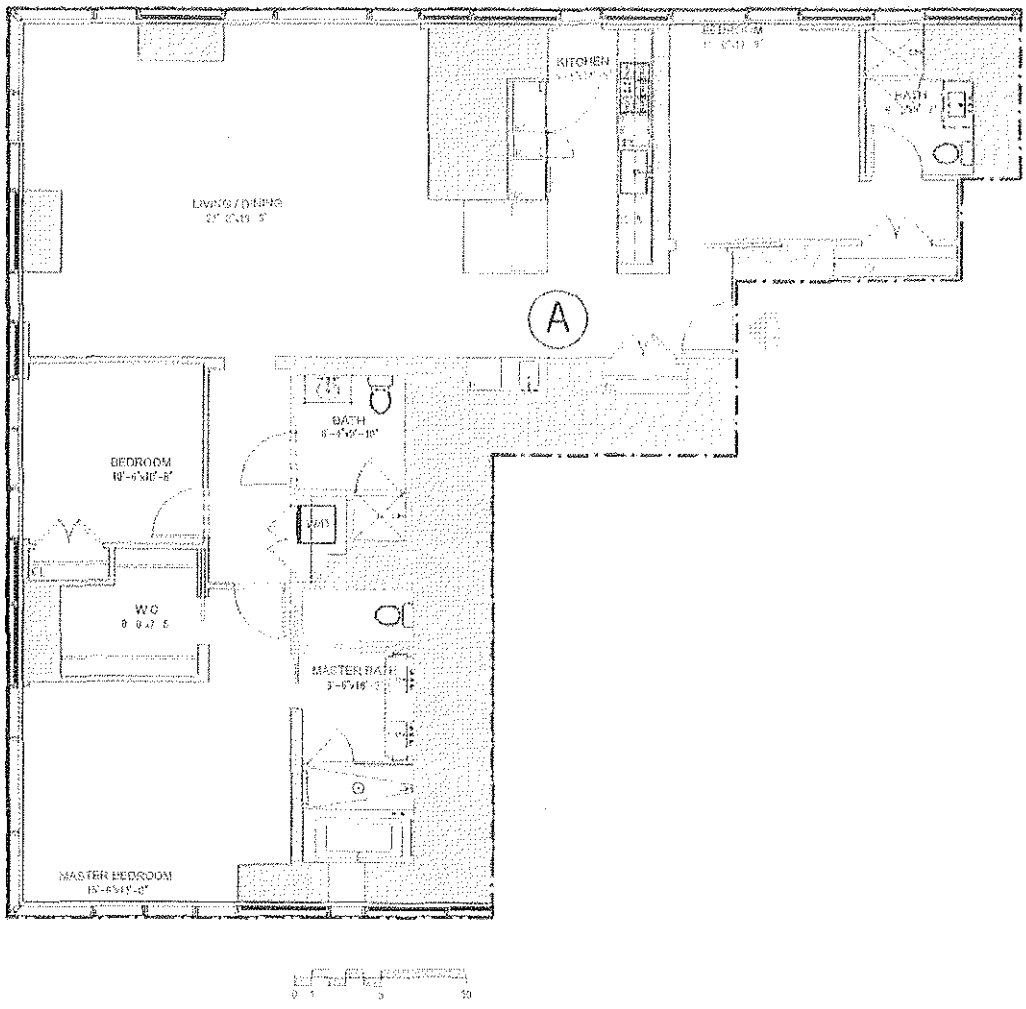
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 18A

3 BEDROOMS
3 BATHS

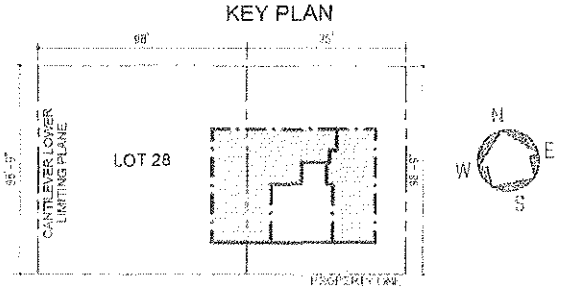
UNIT AREA: 2,138 S.F.




## 18TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

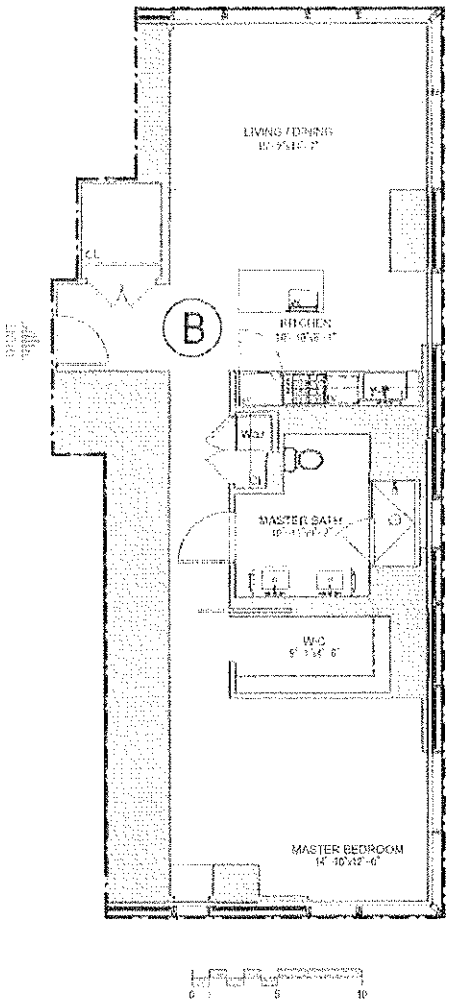
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 18B

1 BEDROOM
1 BATH

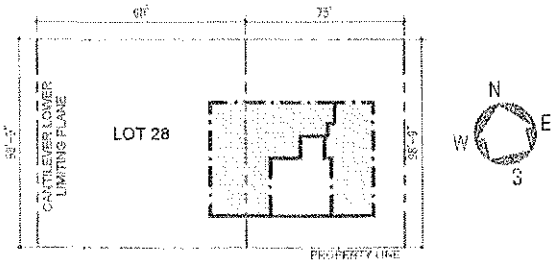
UNIT AREA: 1,087 S.F.




## 18TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

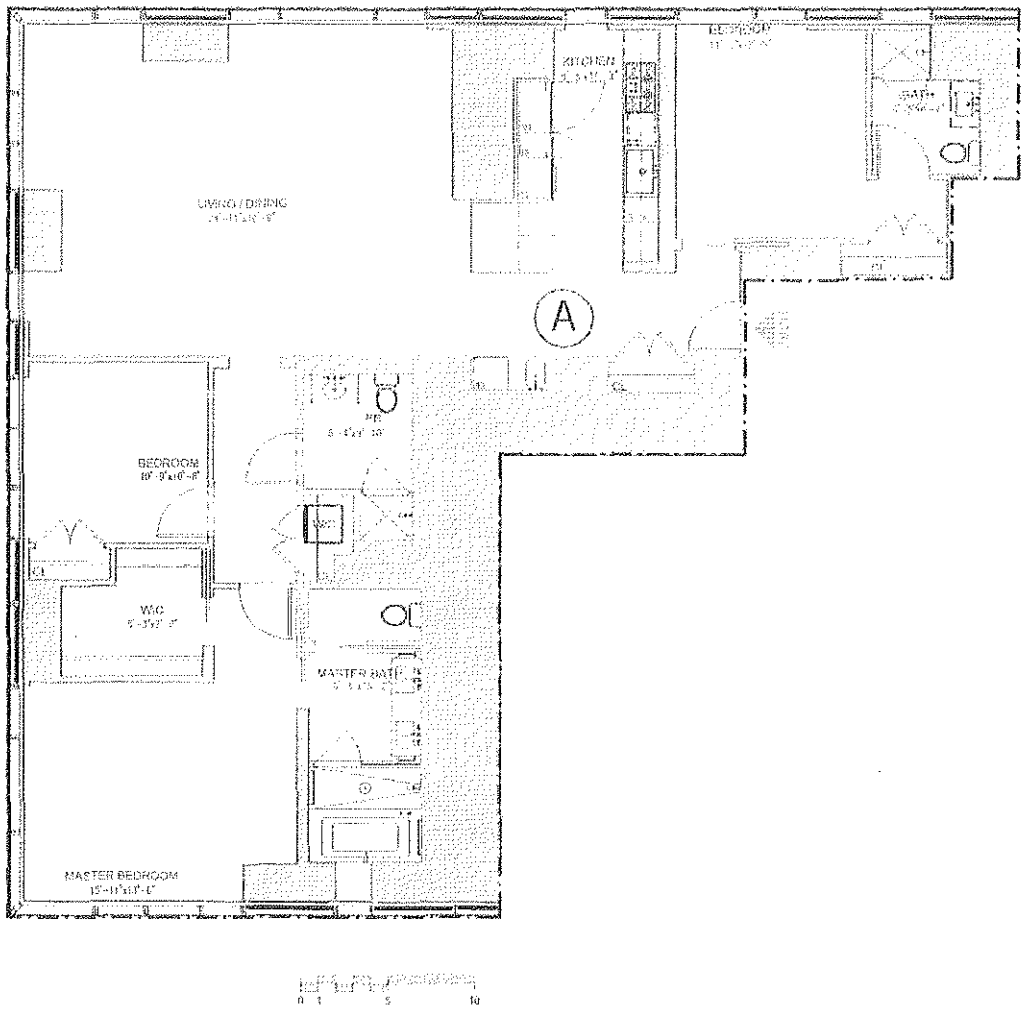
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/10

# RESIDENCE 19A

3 BEDROOMS
3 BATHS

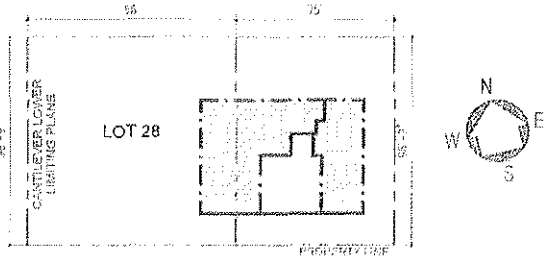
UNIT AREA: 2,140 S.F.




## 19TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

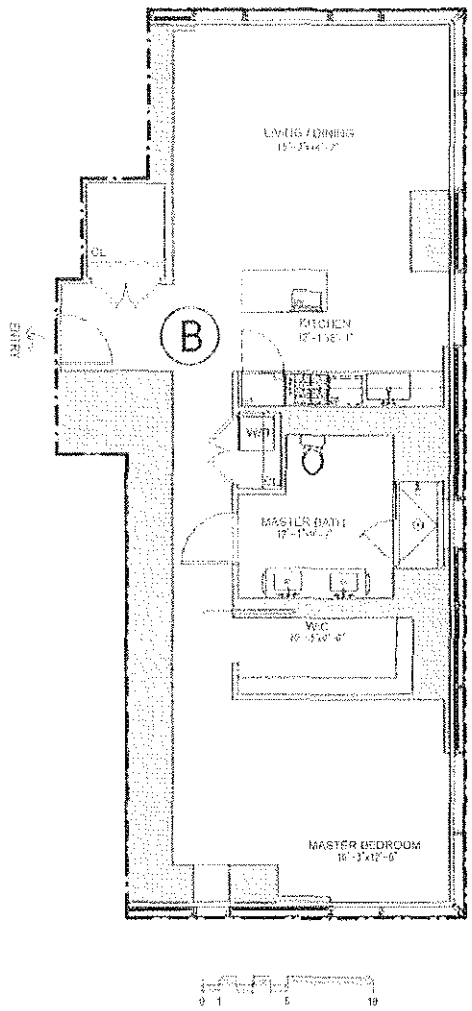
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 19B

1 BEDROOM
1 BATH

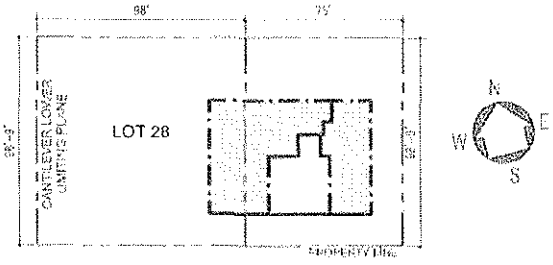
UNIT AREA: 1,115 S.F.




## 19TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan

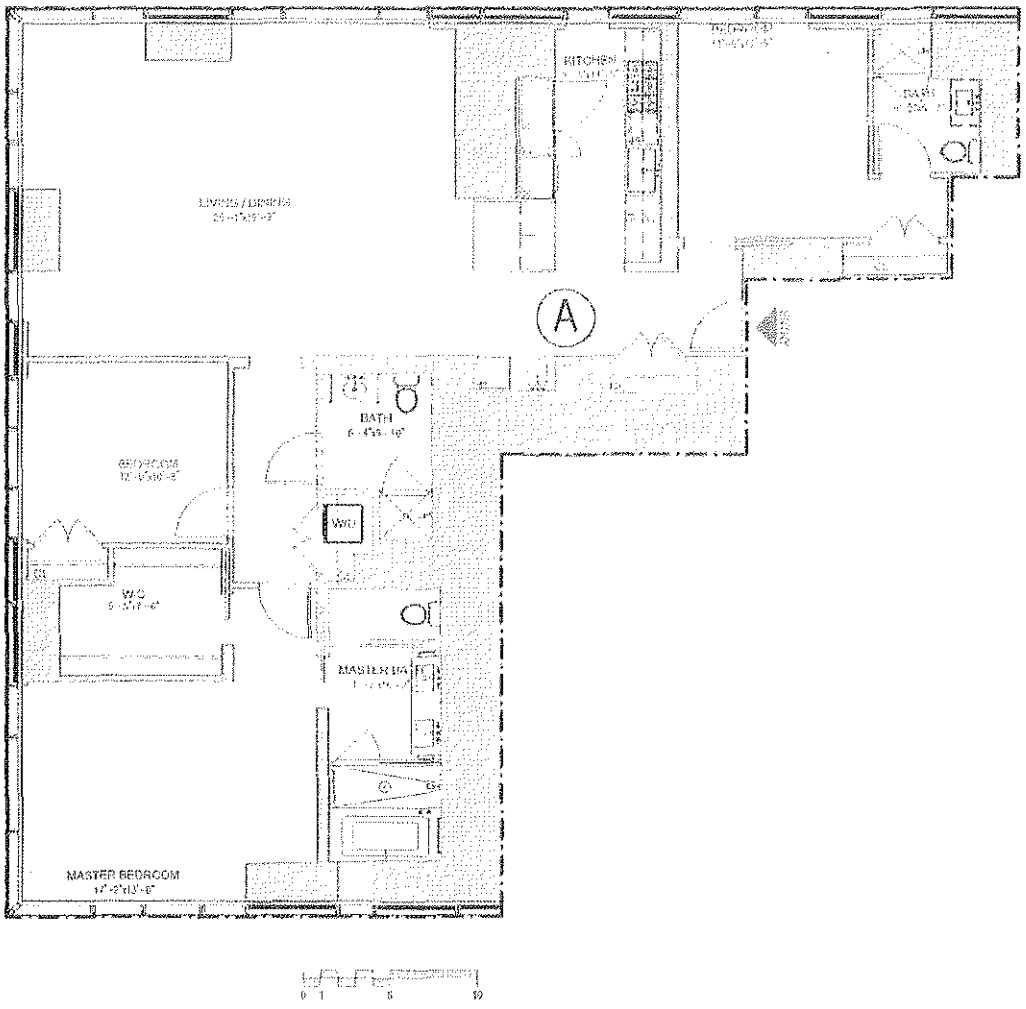
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/15

# RESIDENCE 20A

3 BEDROOMS
3 BATHS

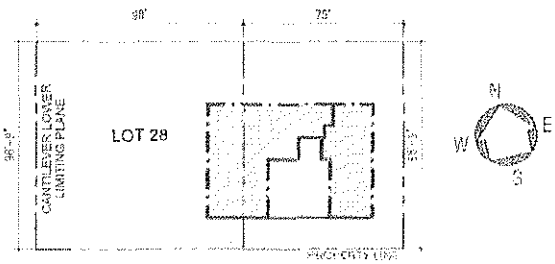
UNIT AREA: 2,153 S.F.




## 20TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

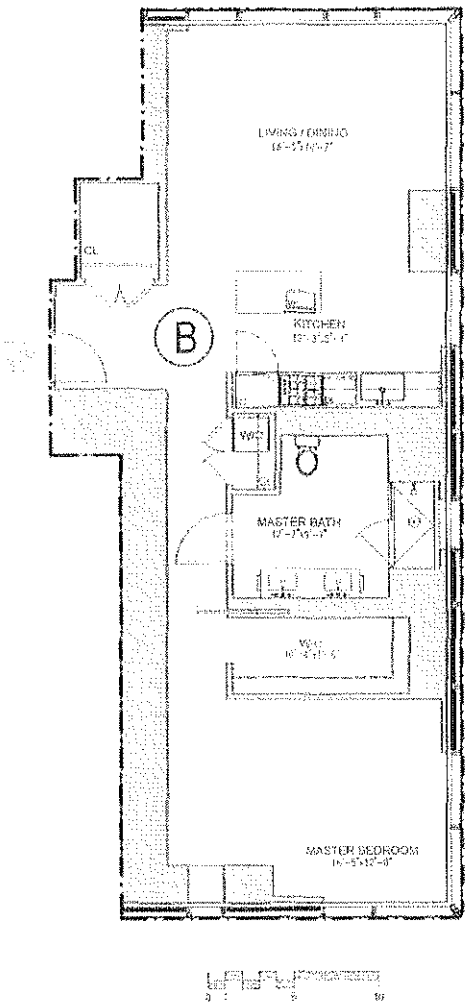
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 20B

1 BEDROOM
1 BATH

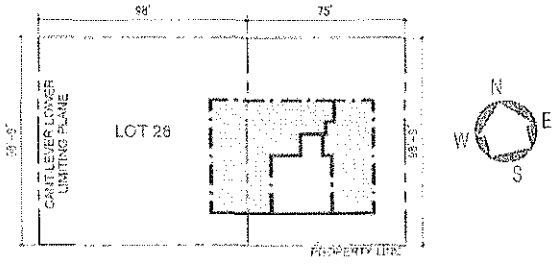
UNIT AREA: 1,121 S.F.




## 20TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

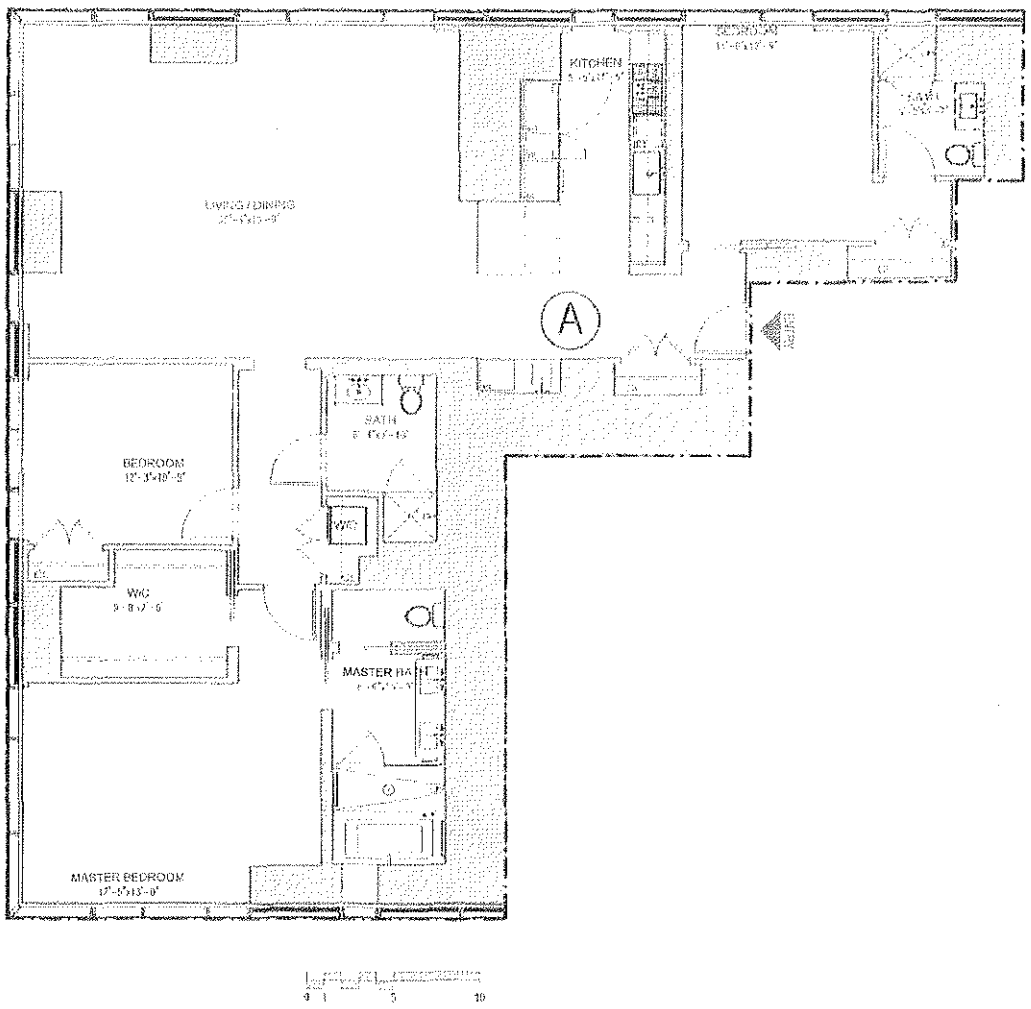
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 21A

3 BEDROOMS
3 BATHS

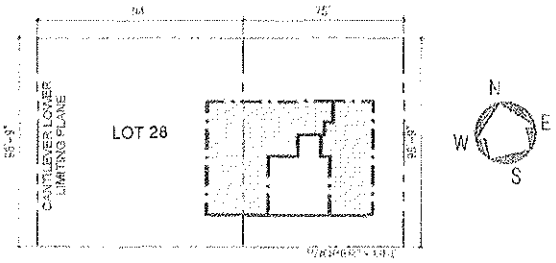
UNIT AREA: 2,167 S.F.




## 21ST FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

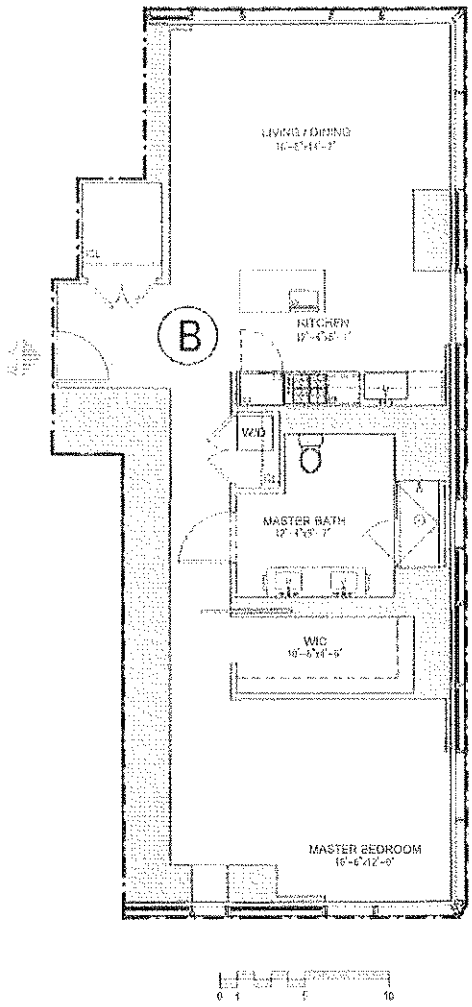
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 21B

1 BEDROOM
1 BATH

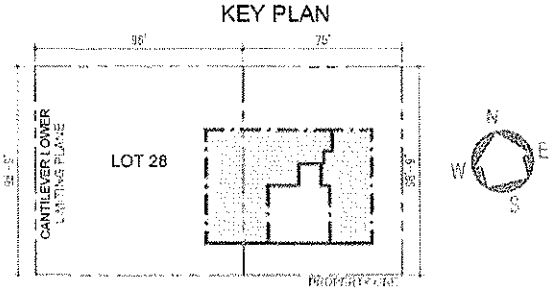
UNIT AREA: 1,128 S.F.




## 21ST FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

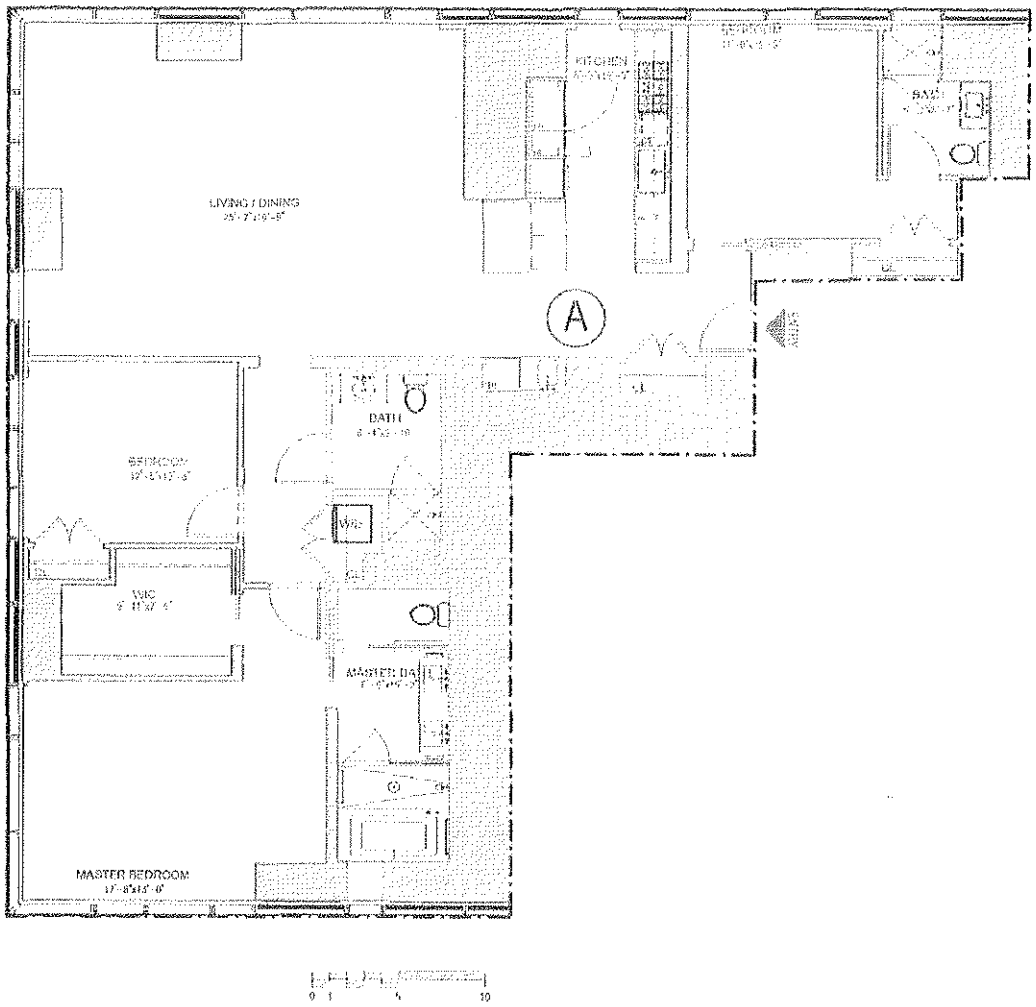
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/6/7/16

# RESIDENCE 22A

3 BEDROOMS
3 BATHS

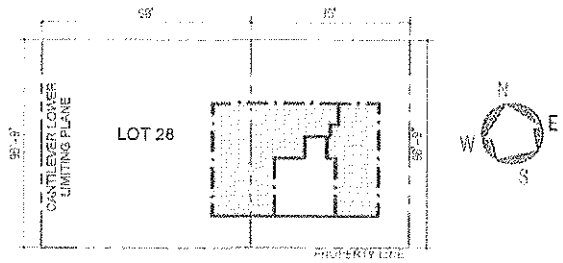
UNIT AREA: 2,180 S.F.




## 22ND FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

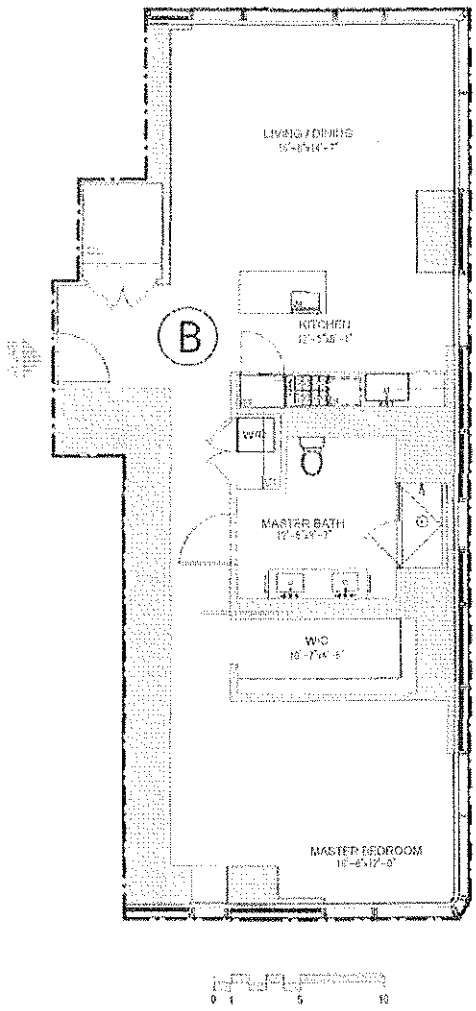
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 22B

1 BEDROOM
1 BATH

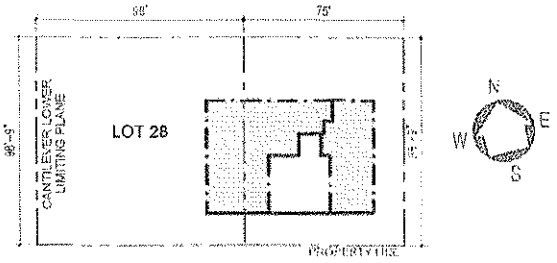
UNIT AREA: 1,134 S.F.




## 22ND FLOOR

COMMON ELEMENT

KEY PLAN




2014/07/16

## 45 EAST 22ND STREET

NEW YORK, NY 10010

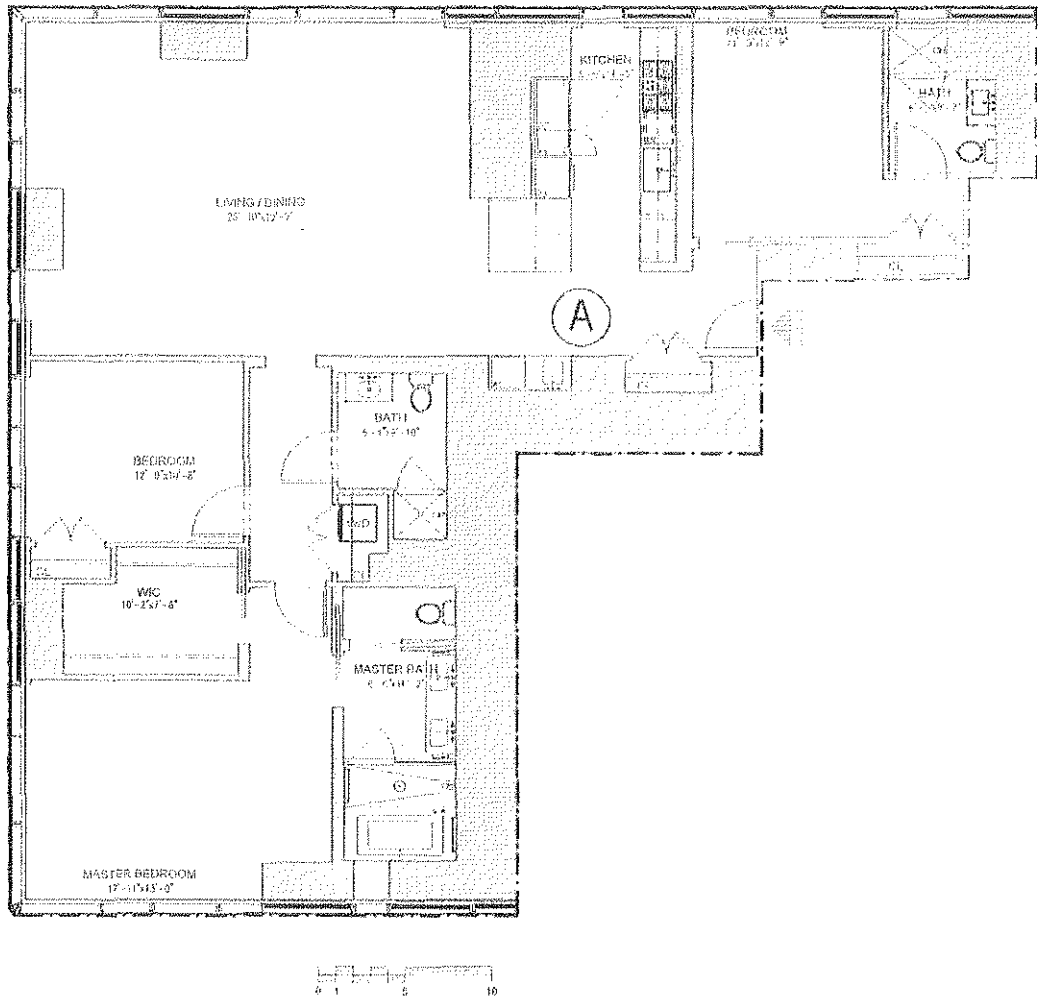
All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

# RESIDENCE 23A

3 BEDROOMS
3 BATHS

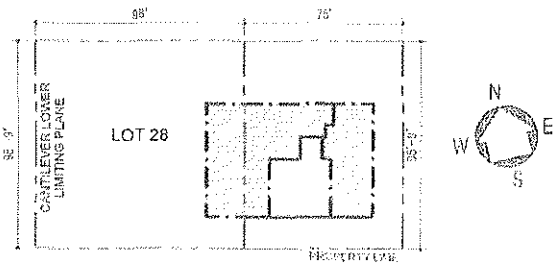
UNIT AREA: 2,193 S.F.




## 23RD FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

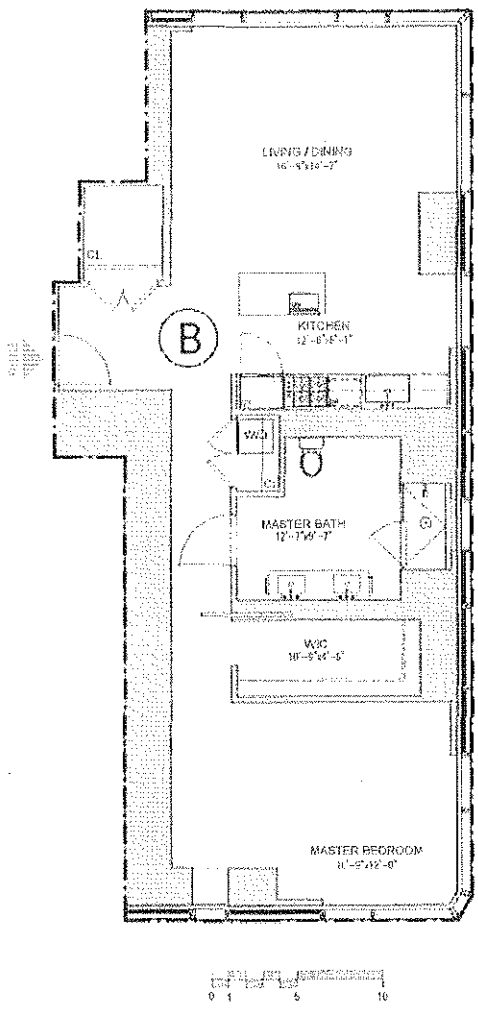
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 23B

1 BEDROOM
1 BATH

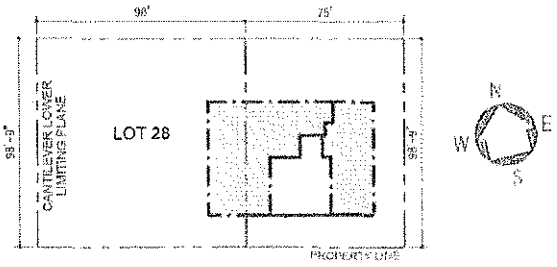
UNIT AREA: 1,140 S.F.




## 23RD FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

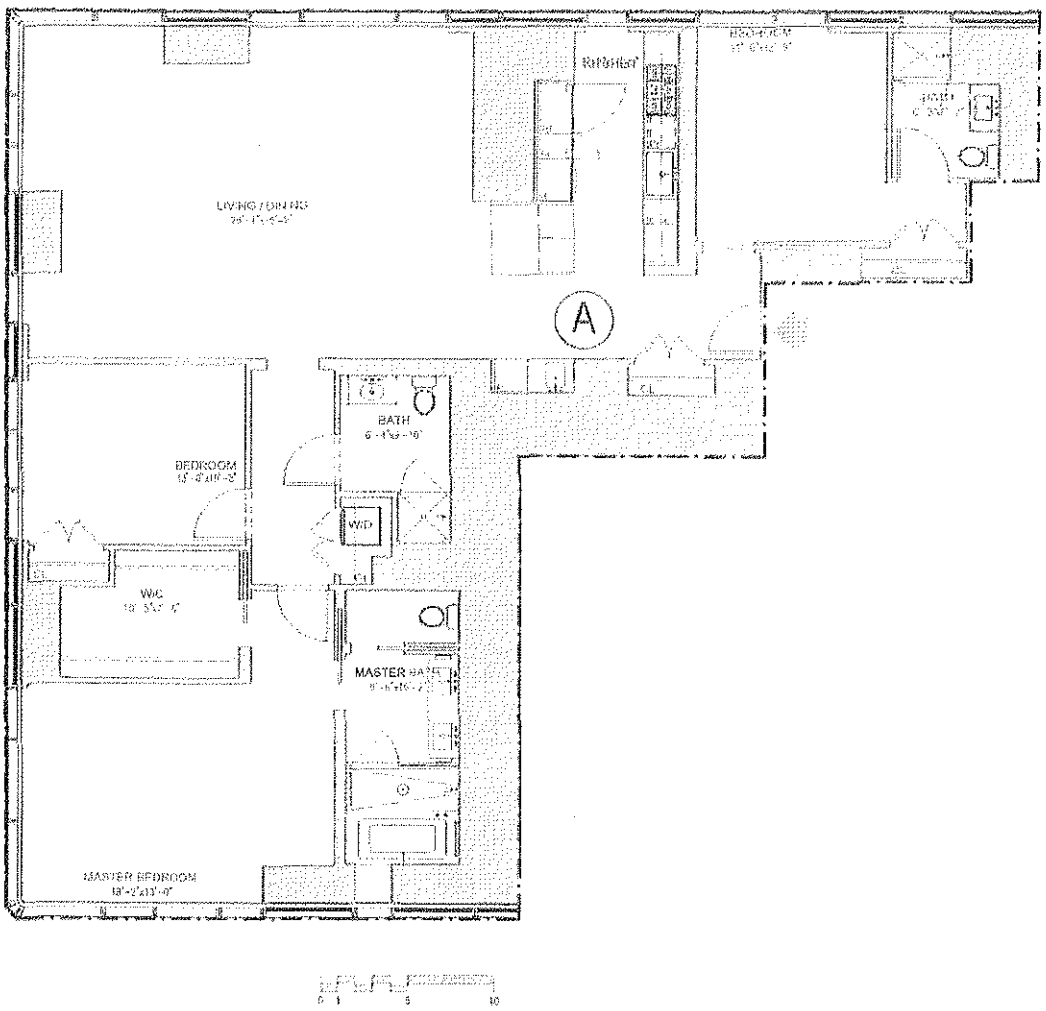
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 24A

3 BEDROOMS
3 BATHS

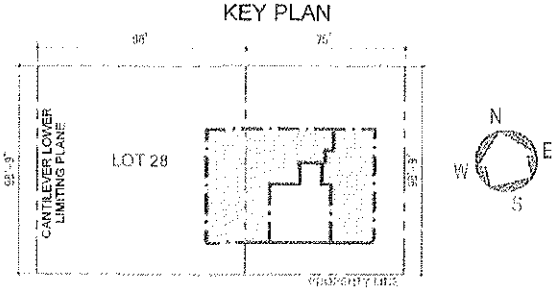
UNIT AREA: 2,206 S.F.




## 24TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

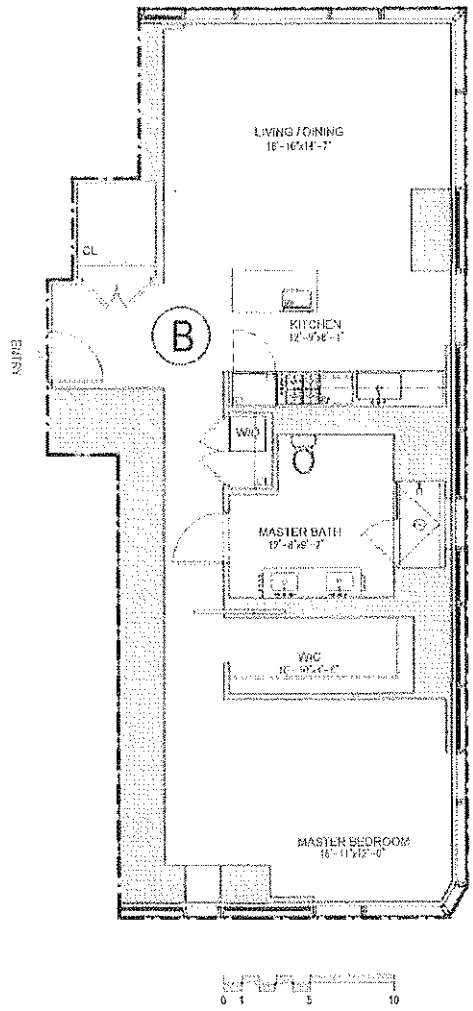
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 24B

1 BEDROOM
1 BATH

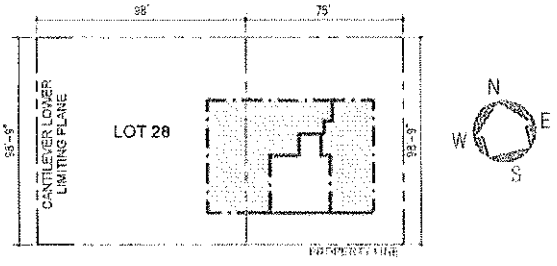
UNIT AREA: 1,146 S.F.




## 24TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

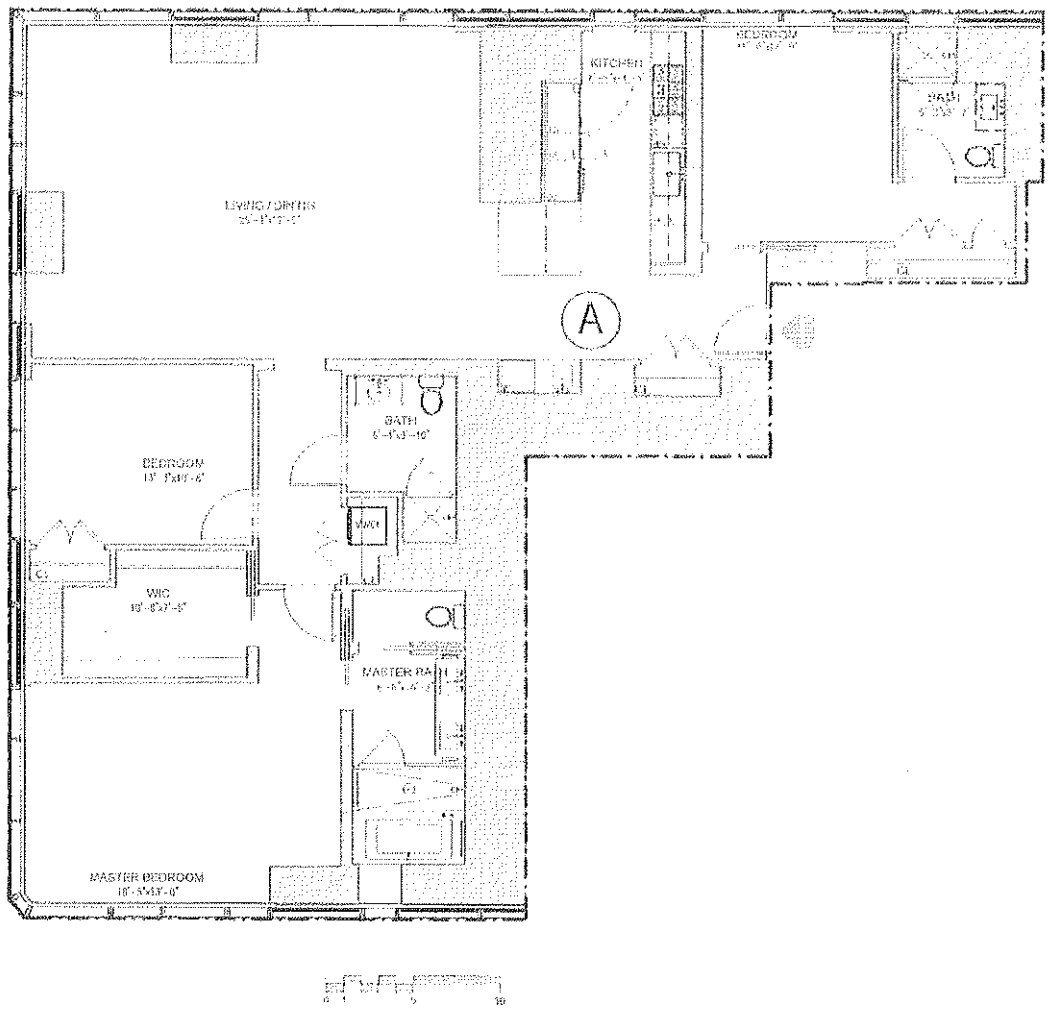
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 25A

3 BEDROOMS
3 BATHS

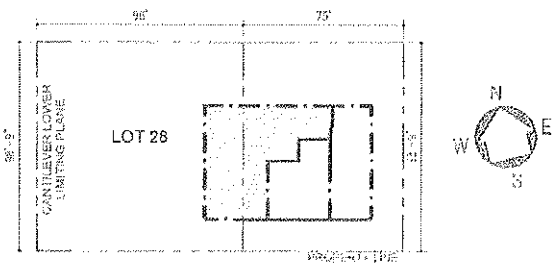
UNIT AREA: 2,237 S.F.




## 25TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

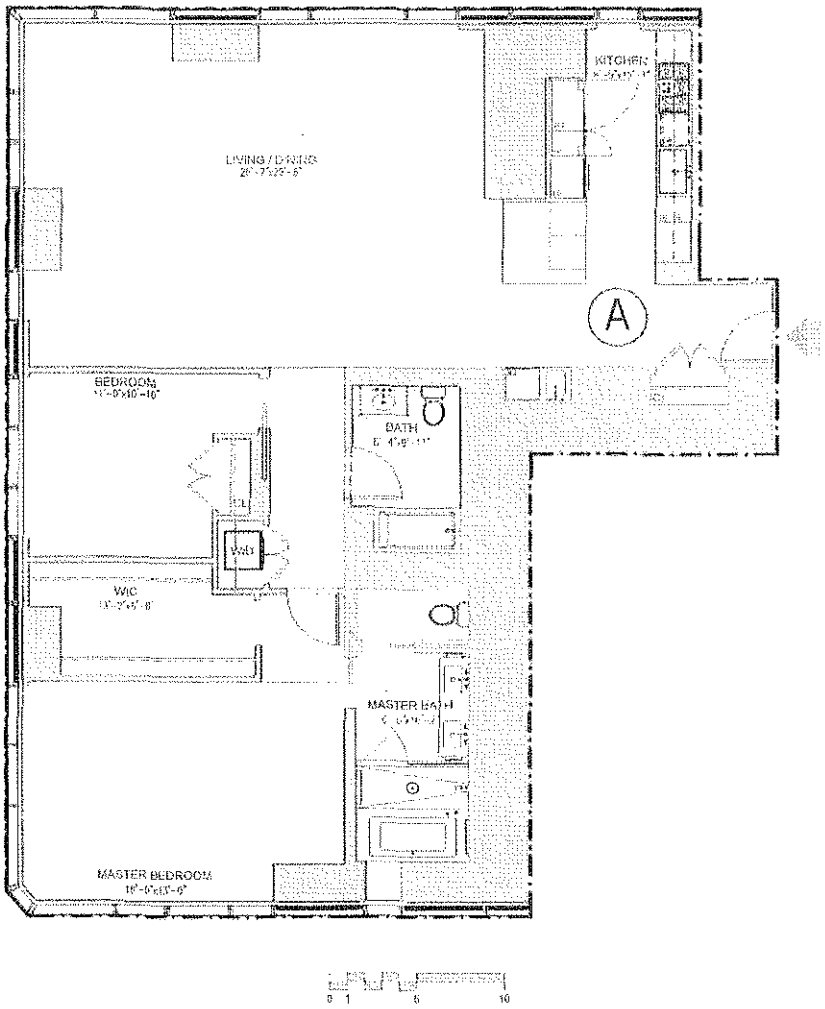
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/10

# RESIDENCE 26A

2 BEDROOMS
2 BATHS

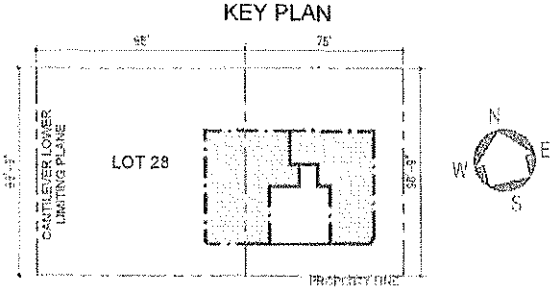
UNIT AREA: 1,929 S.F.




## 26TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

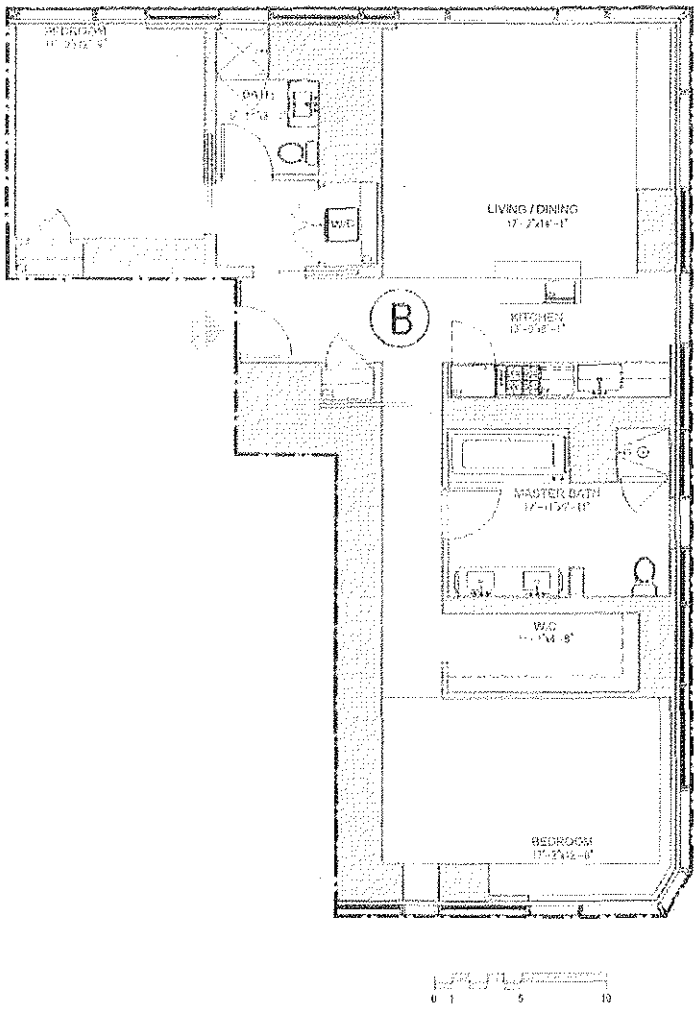
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 26B

2 BEDROOMS
2 BATHS

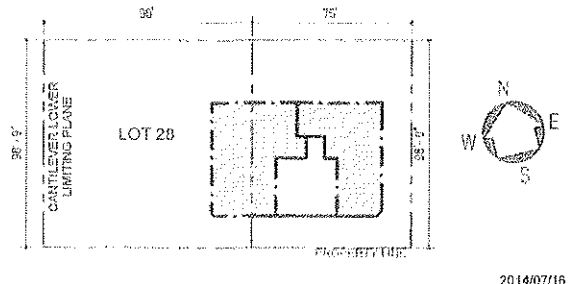
UNIT AREA: 1,479 S.F.




## 26TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

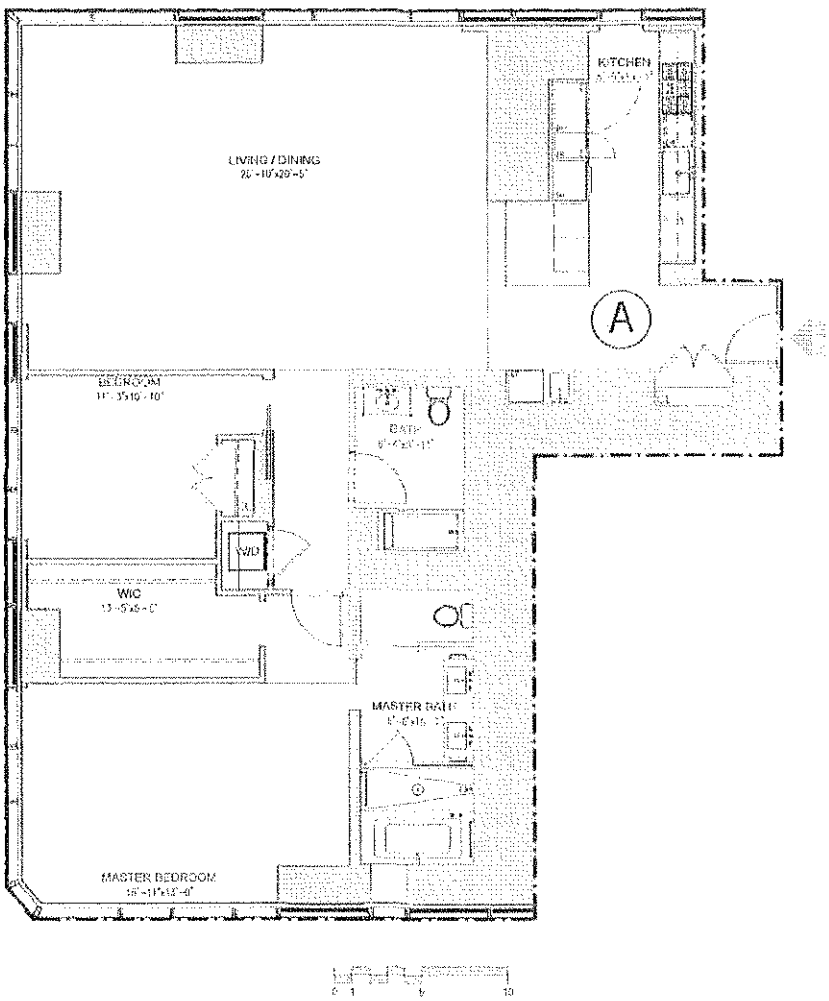
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 27A

2 BEDROOMS
2 BATHS

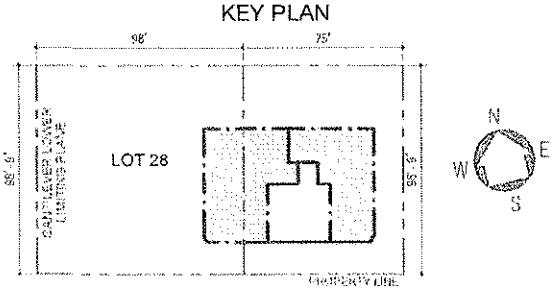
UNIT AREA: 1,942 S.F.




## 27TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

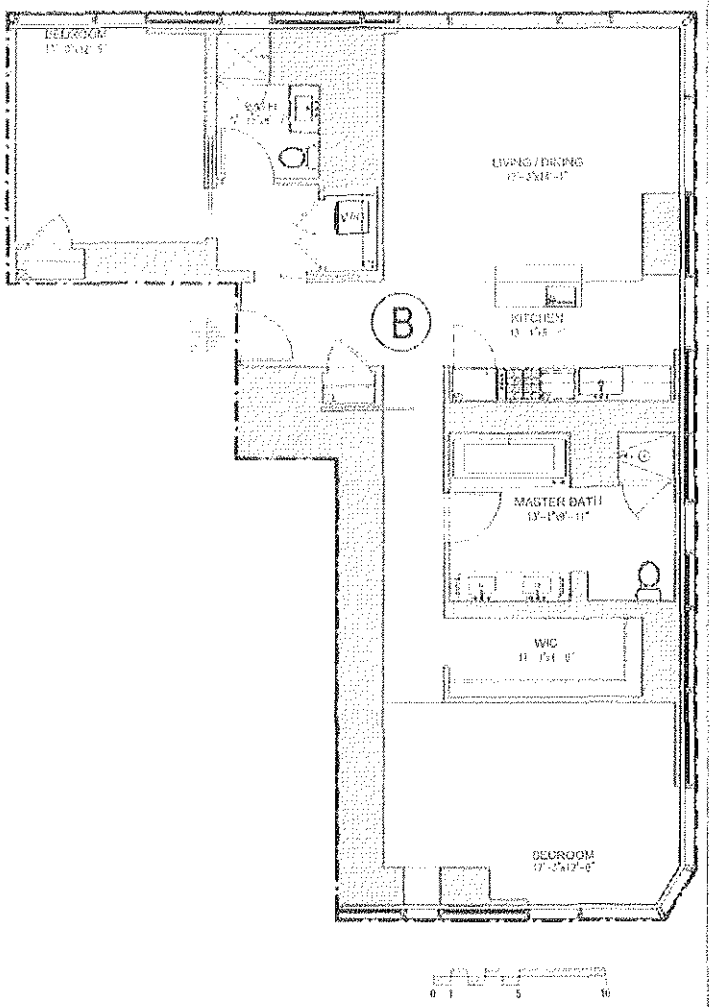
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 27B

2 BEDROOMS
2 BATHS

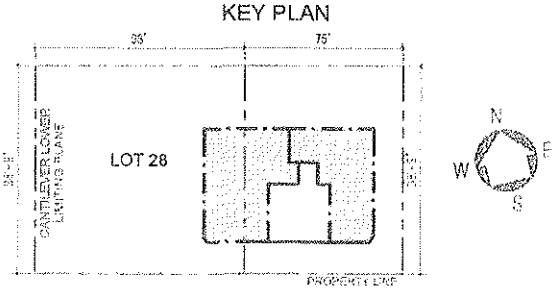
UNIT AREA: 1,486 S.F.




## 27TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

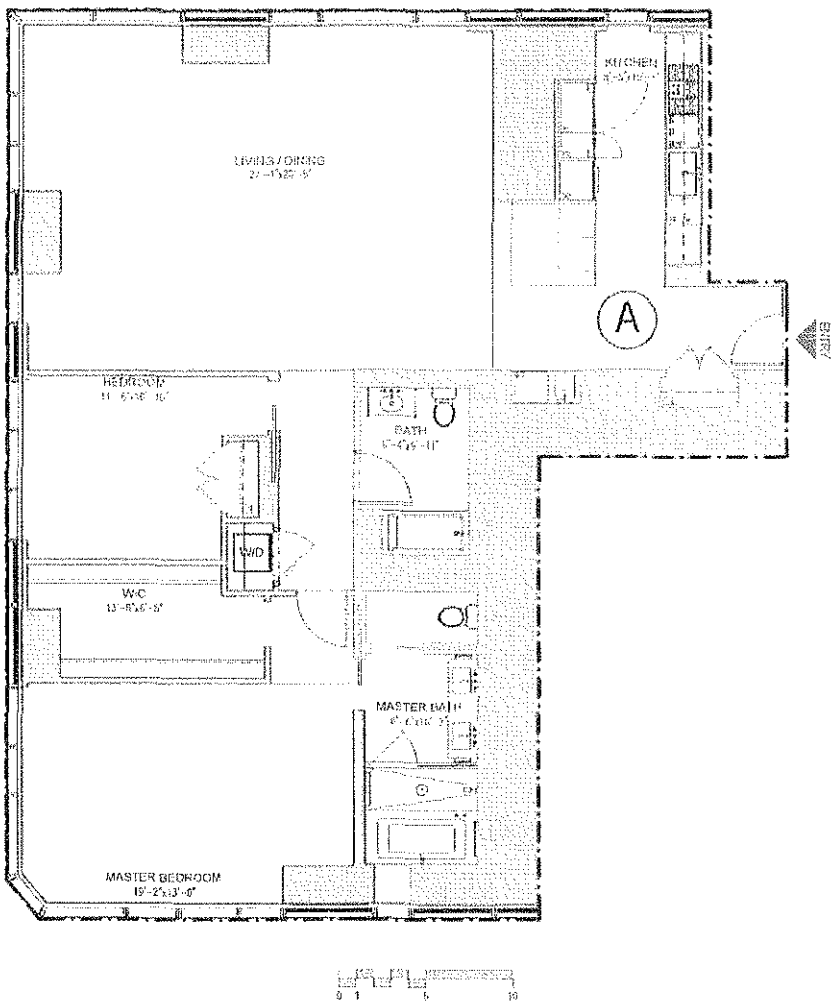
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 28A

2 BEDROOMS
2 BATHS

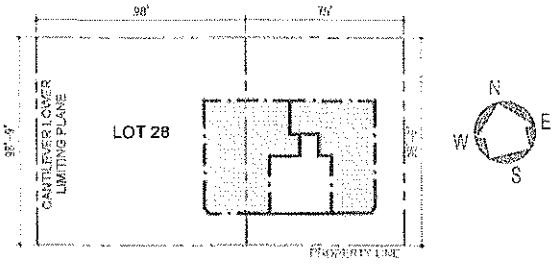
UNIT AREA: 1,955 S.F.




## 28TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

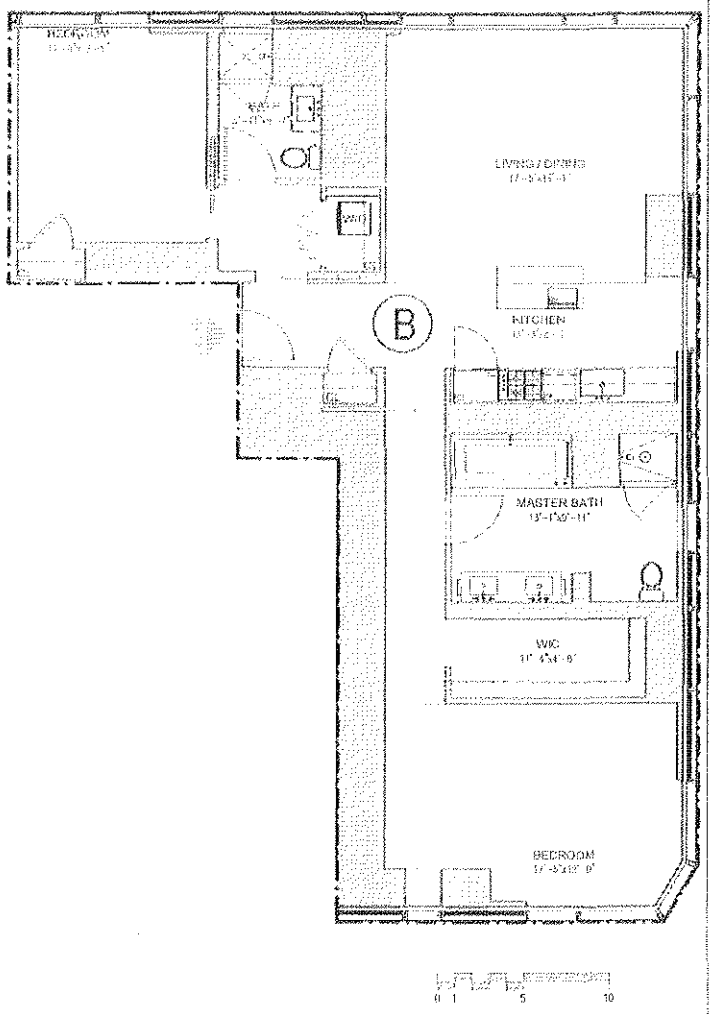
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 28B

2 BEDROOMS
2 BATHS

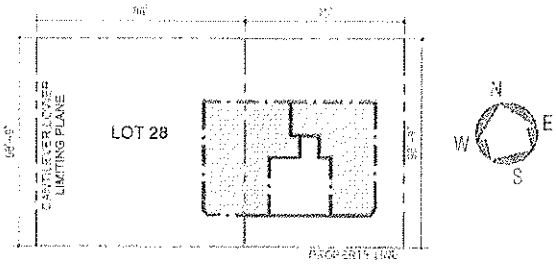
UNIT AREA: 1,491 S.F.




## 28TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

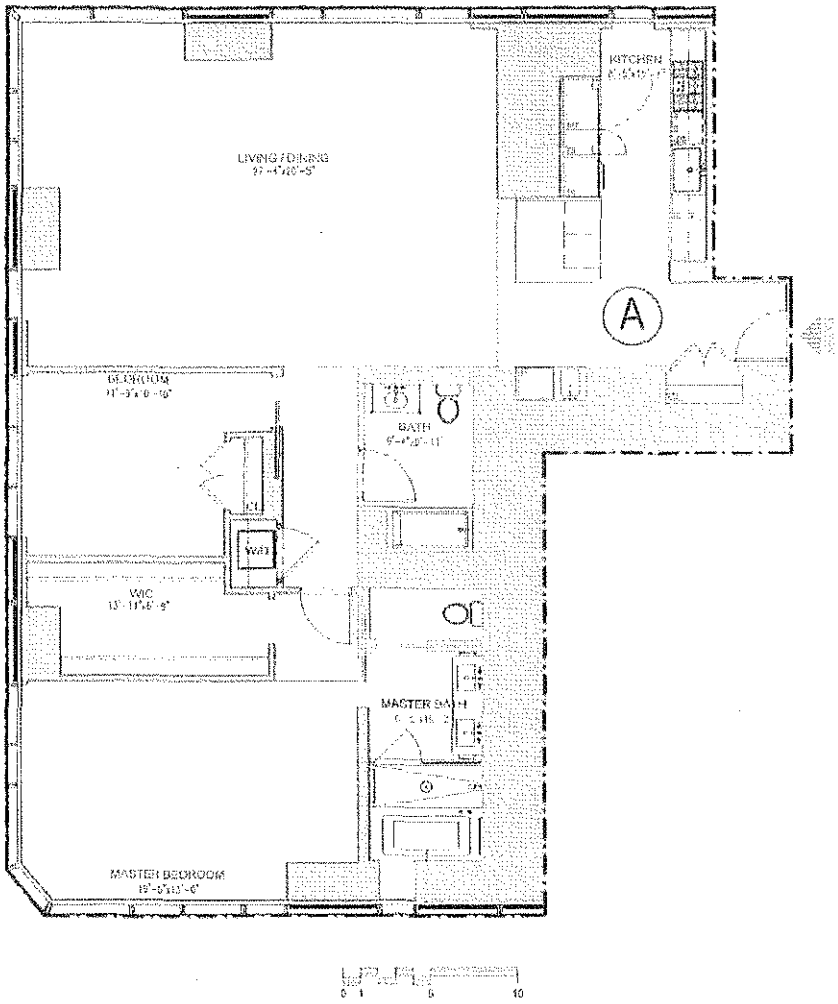
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 29A

2 BEDROOMS
2 BATHS

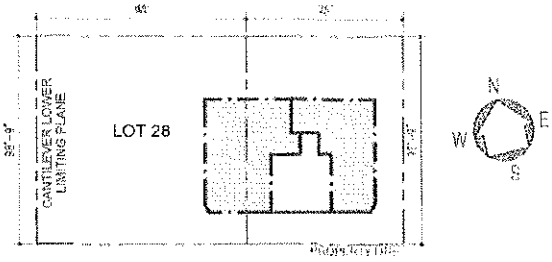
UNIT AREA: 1,968 S.F.




## 29TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

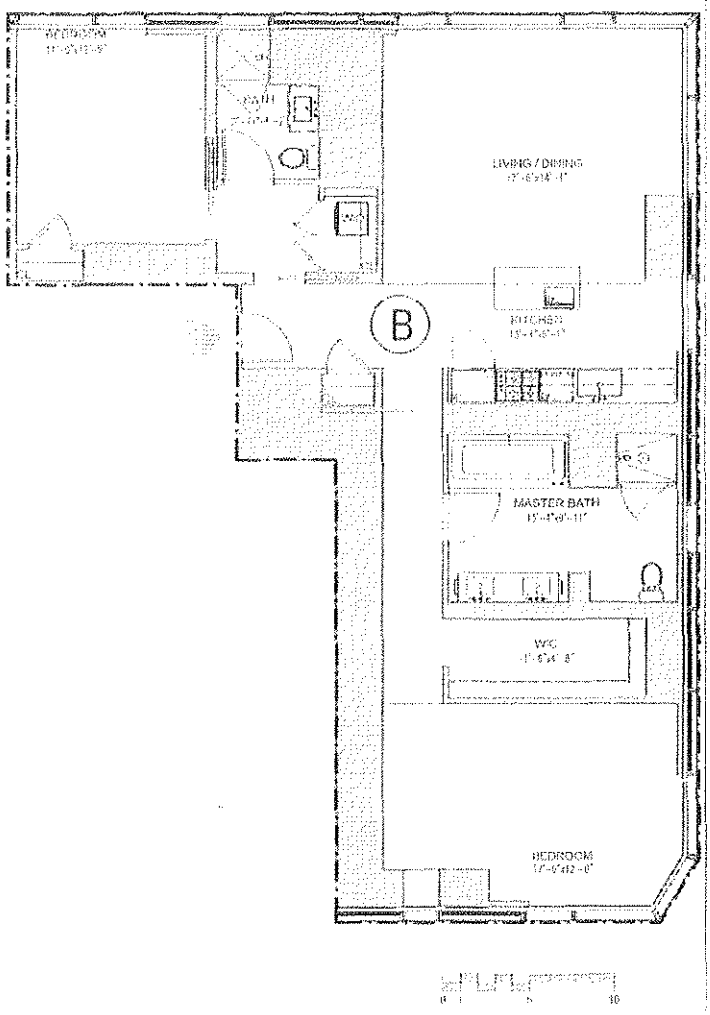
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 29B

2 BEDROOMS
2 BATHS

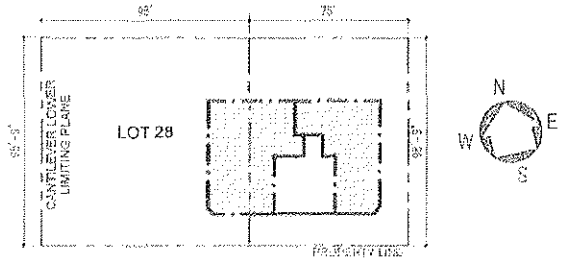
UNIT AREA: 1,497 S.F.




## 29TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

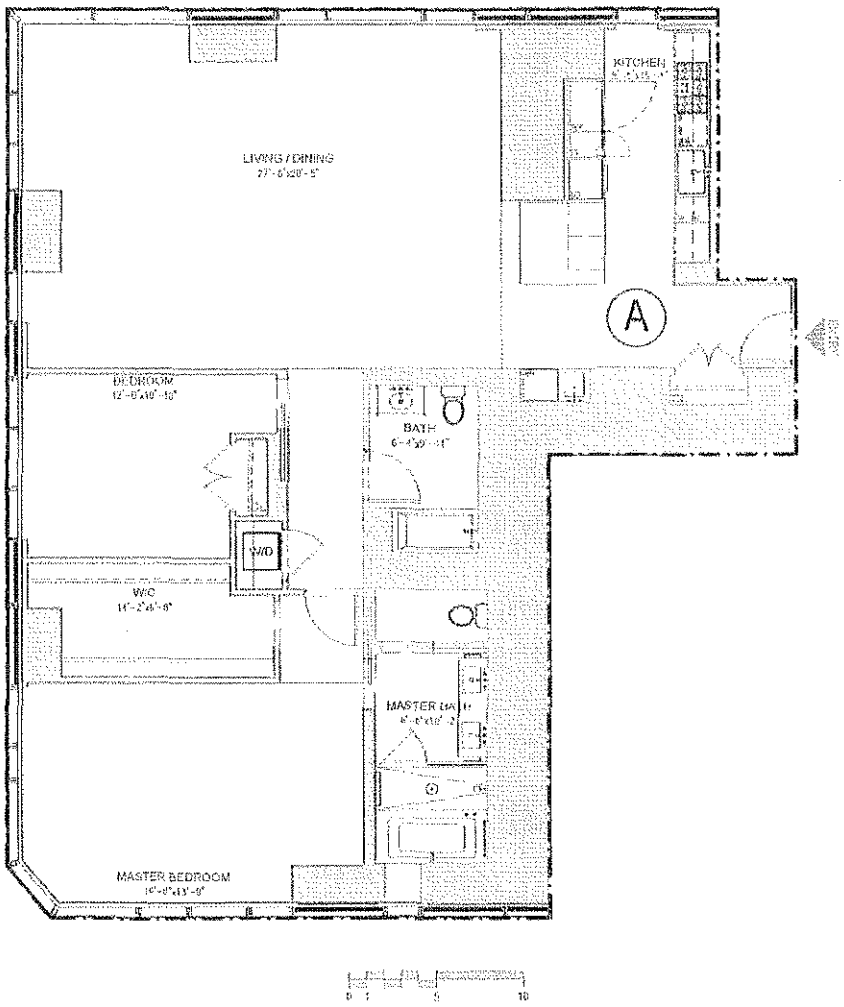
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/15

# RESIDENCE 30A

2 BEDROOMS
2 BATHS

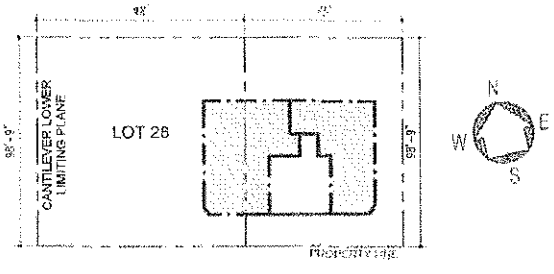
UNIT AREA: 1,981 S.F.




## 30TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

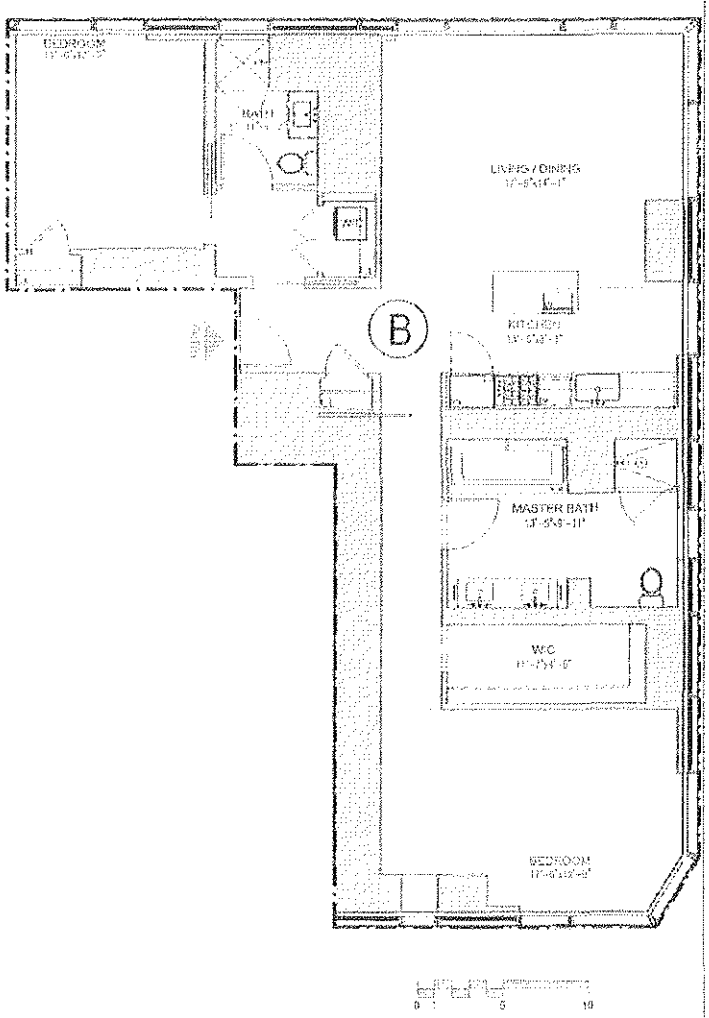
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 30B

2 BEDROOMS
2 BATHS

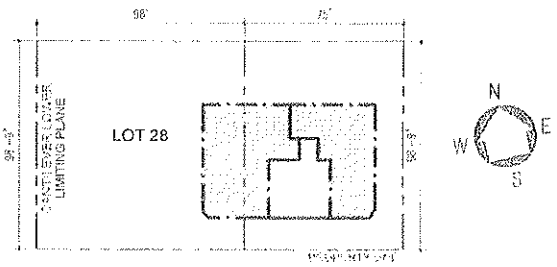
UNIT AREA: 1,503 S.F.




## 30TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

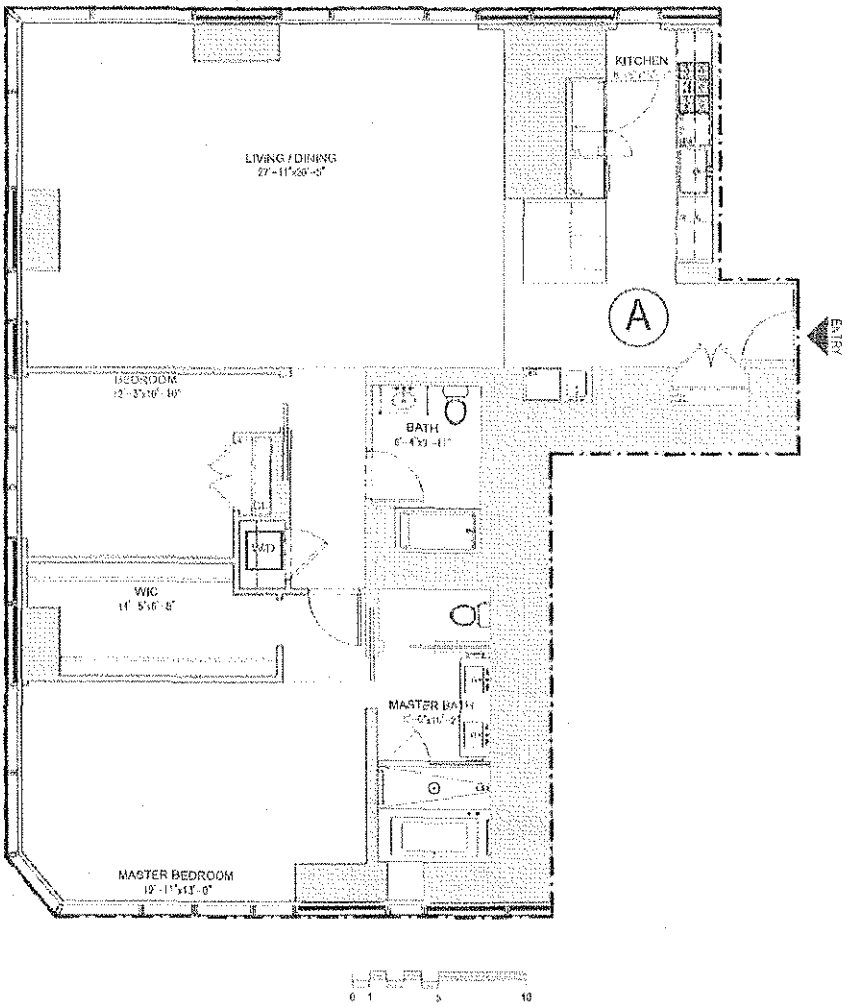
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 31A

2 BEDROOMS
2 BATHS

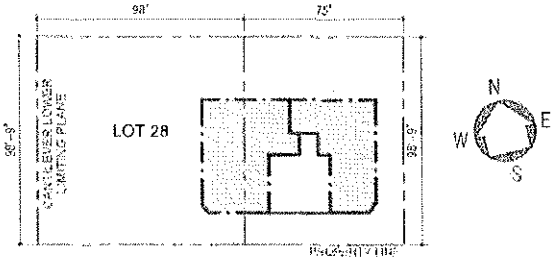
UNIT AREA: 1,994 S.F.




## 31ST FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

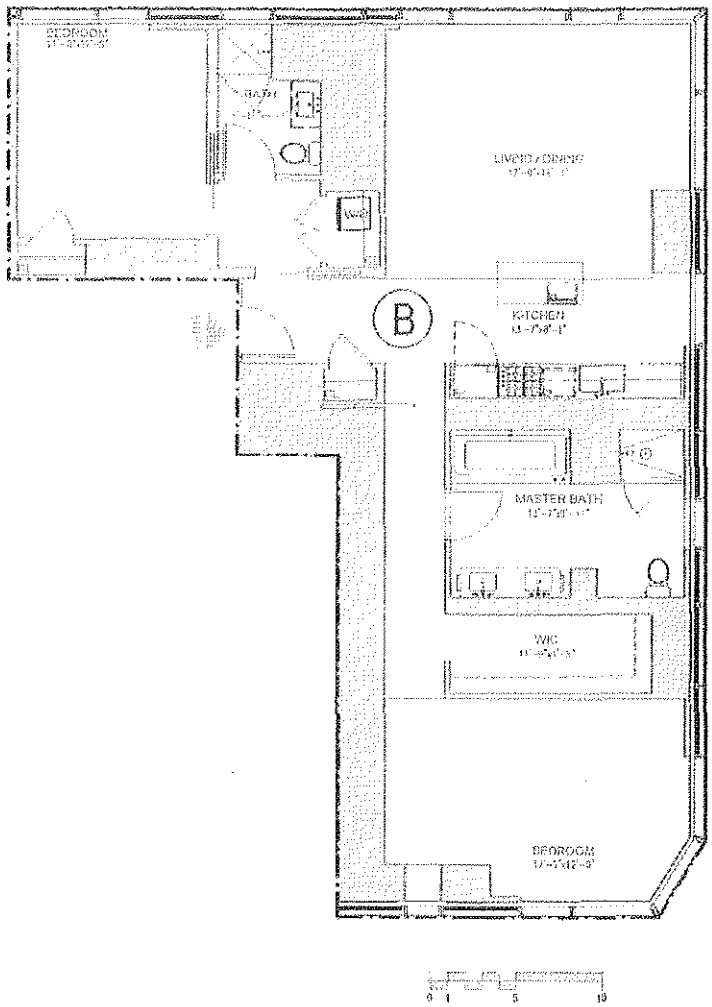
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 31B

2 BEDROOMS
2 BATHS

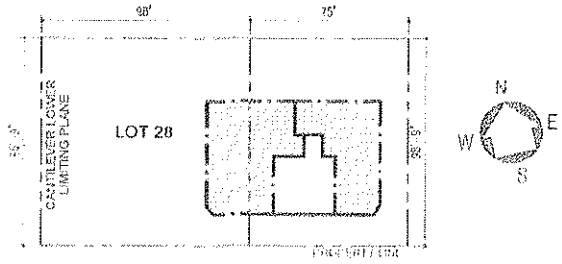
UNIT AREA: 1,509 S.F.




## 31ST FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

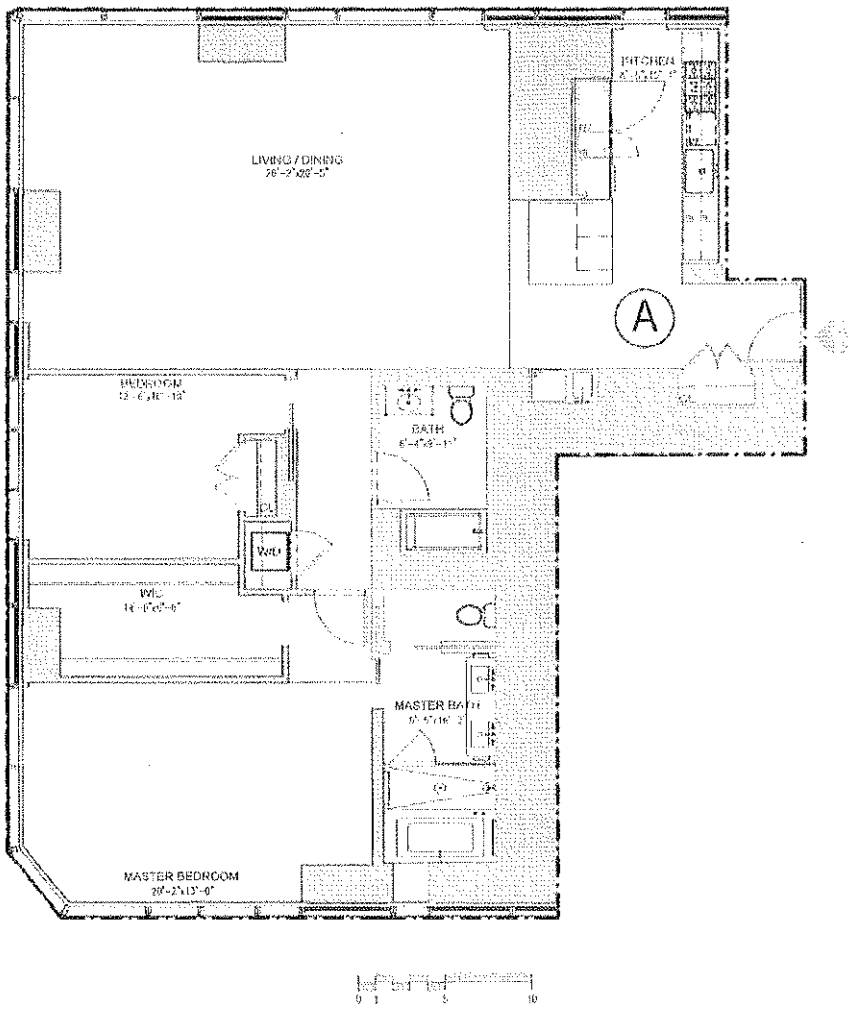
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 32A

2 BEDROOMS
2 BATHS

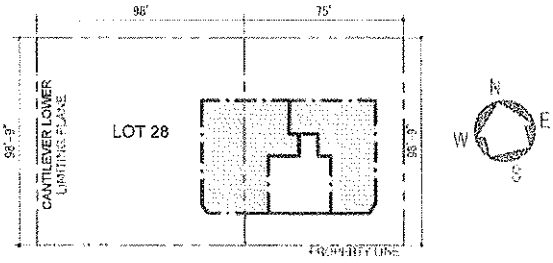
UNIT AREA: 2,006 S.F.




## 32ND FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

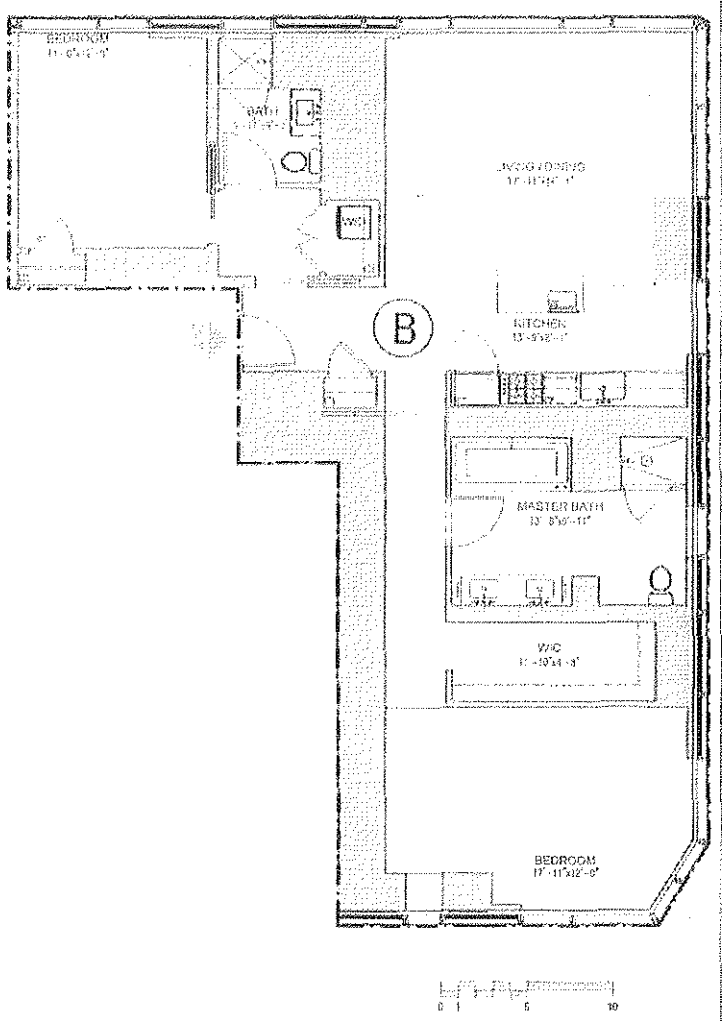
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 32B

2 BEDROOMS
2 BATHS

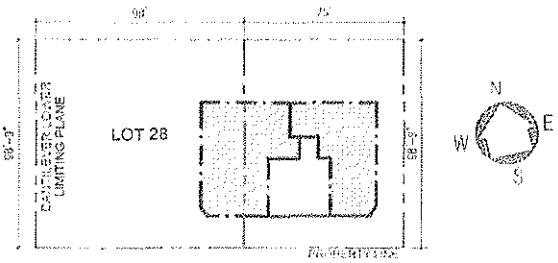
UNIT AREA: 1,514 S.F.




## 32ND FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

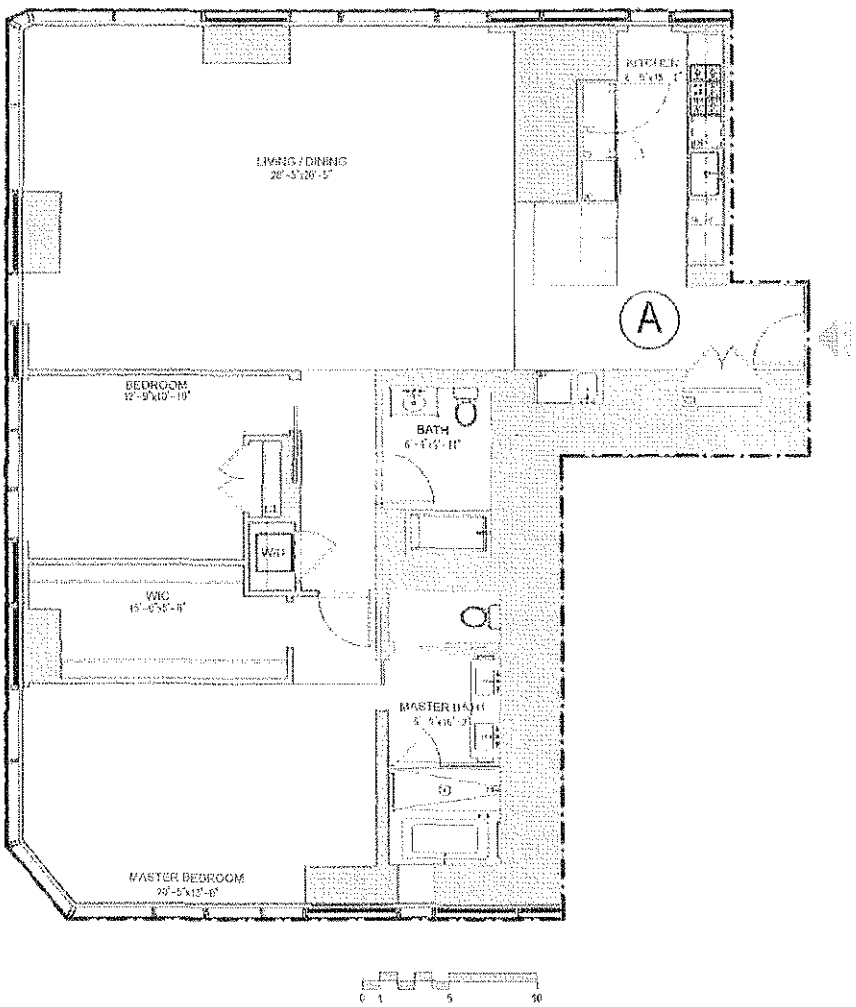
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 33A

2 BEDROOMS
2 BATHS

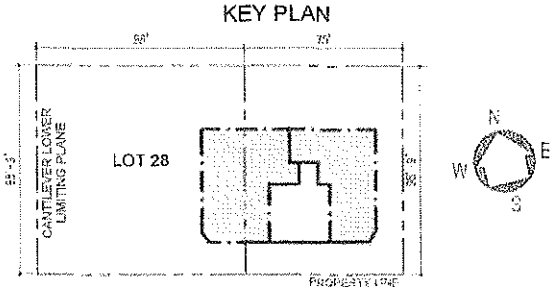
UNIT AREA: 2,018 S.F.




## 33RD FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

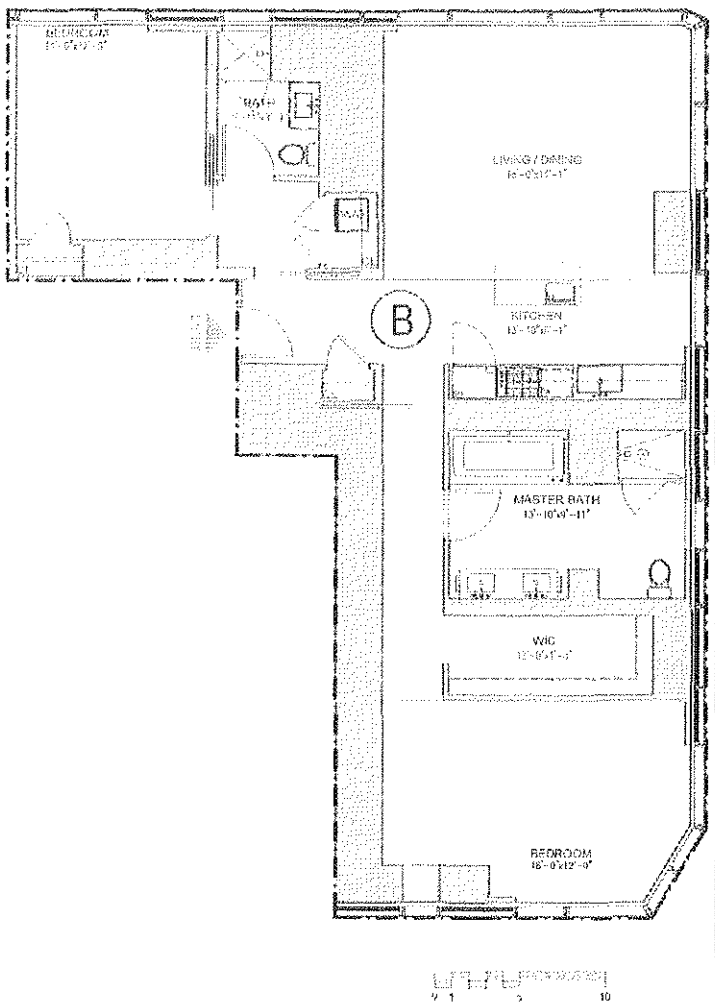
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 33B

2 BEDROOMS
2 BATHS

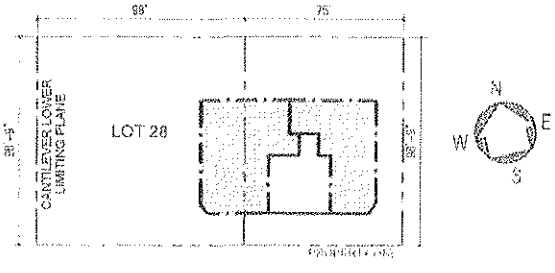
UNIT AREA: 1,520 S.F.




## 33RD FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

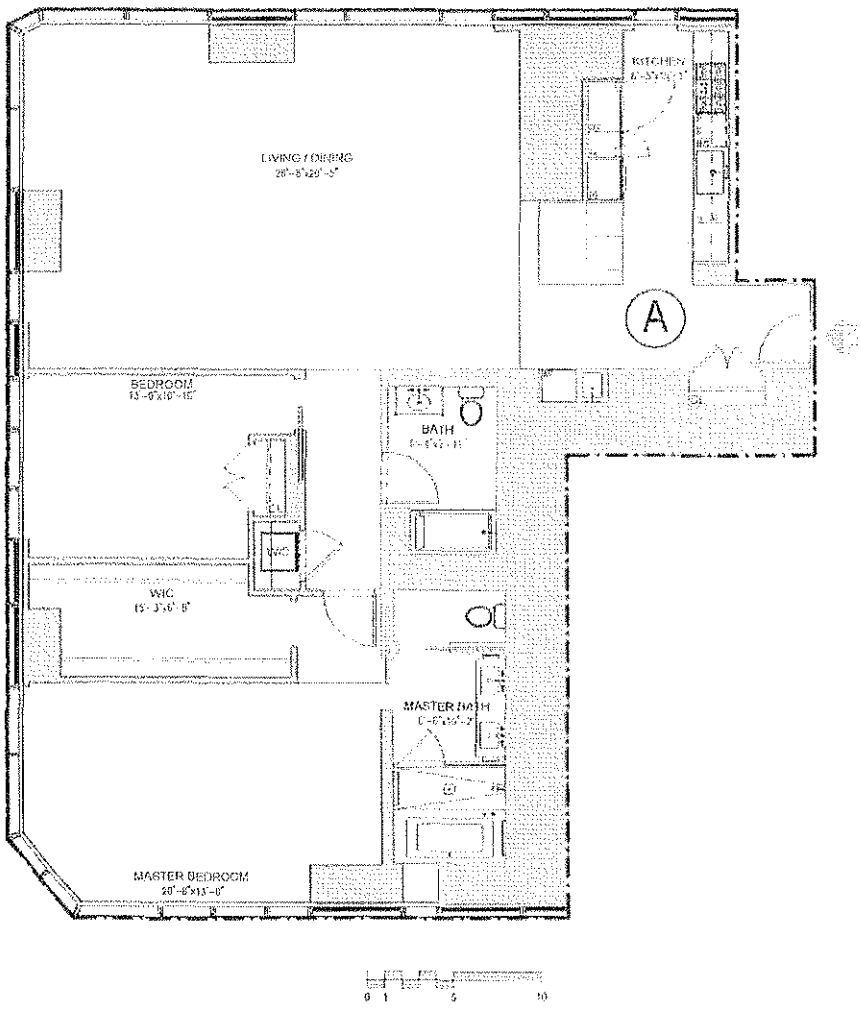
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 34A

2 BEDROOMS
2 BATHS

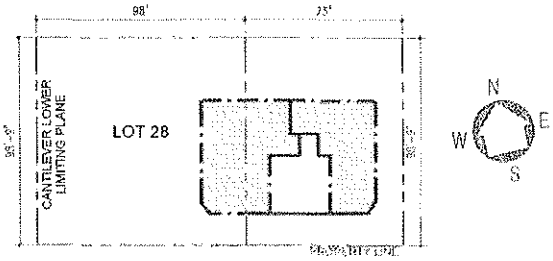
UNIT AREA: 2,030 S.F.




## 34TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

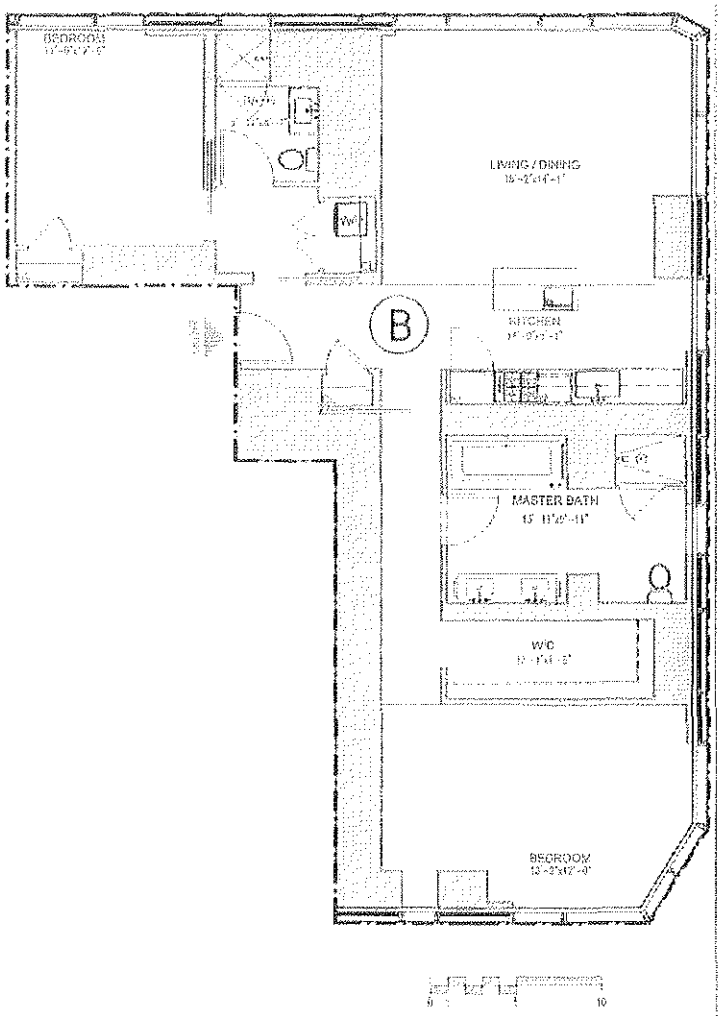
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 34B

2 BEDROOMS
2 BATHS

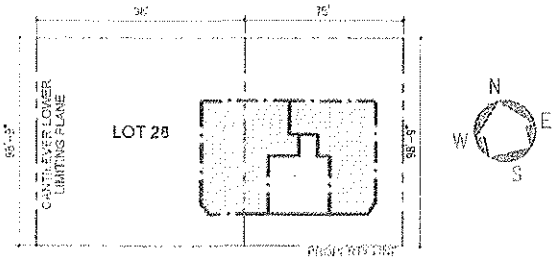
UNIT AREA: 1,525 S.F.




## 34TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

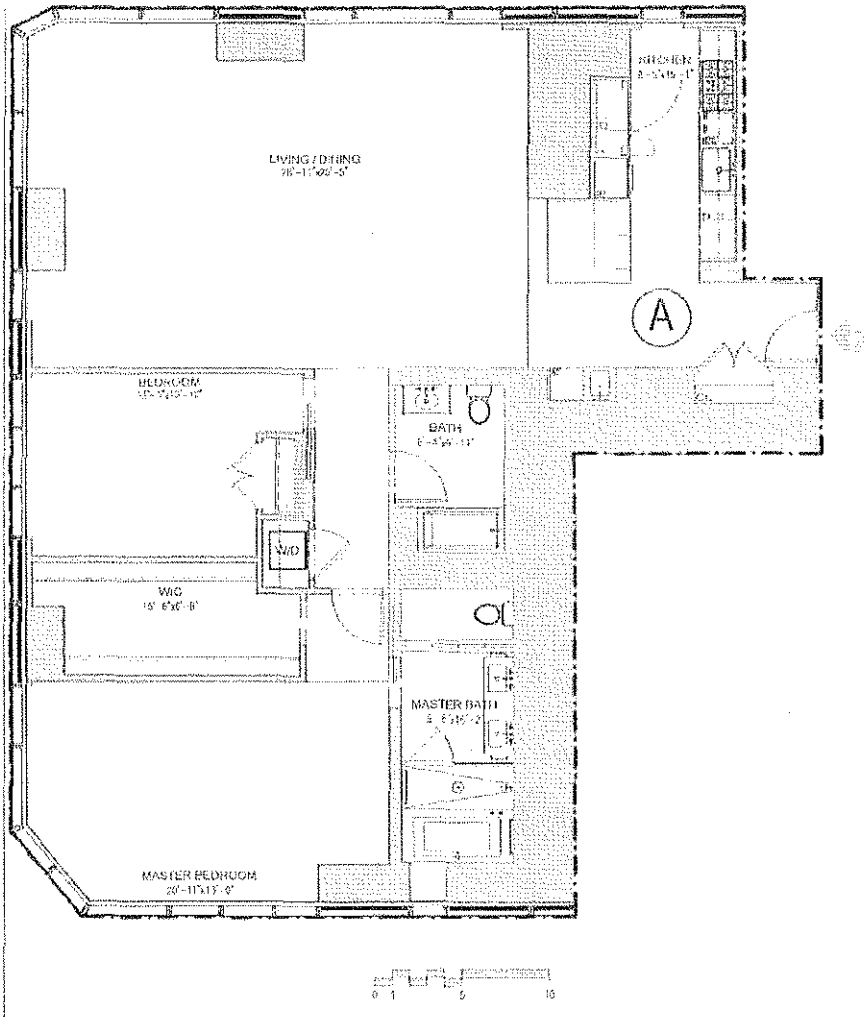
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 35A

2 BEDROOMS
2 BATHS

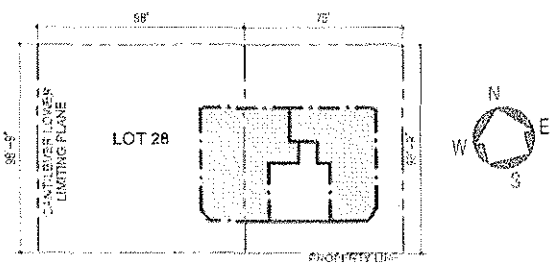
UNIT AREA: 2,042 S.F.




## 35TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

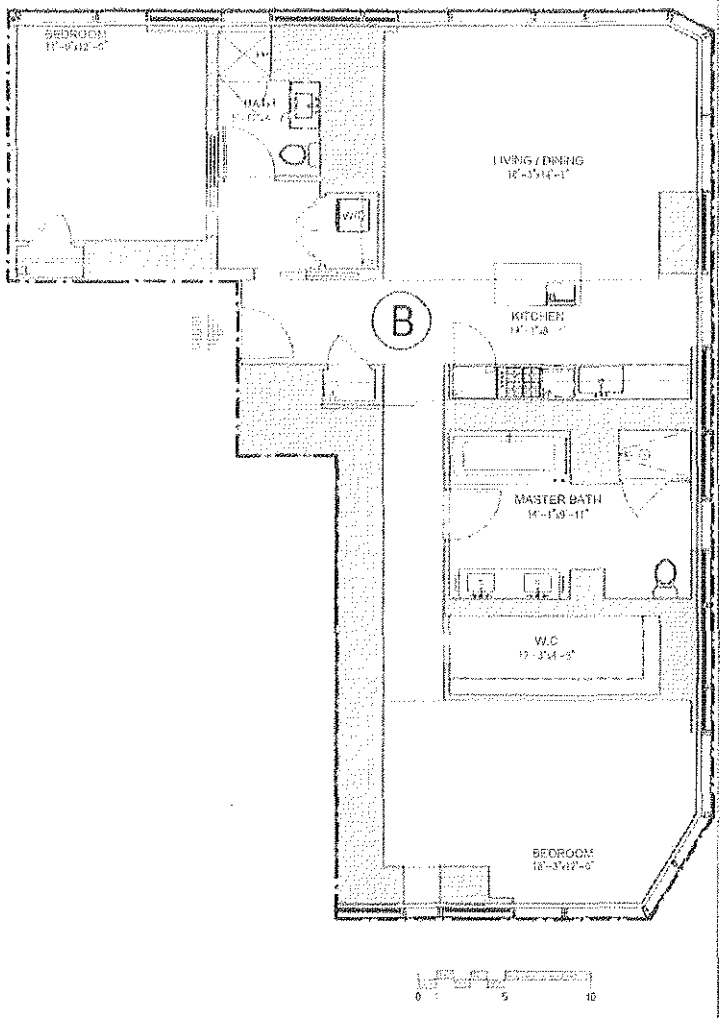
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 35B

2 BEDROOMS
2 BATHS

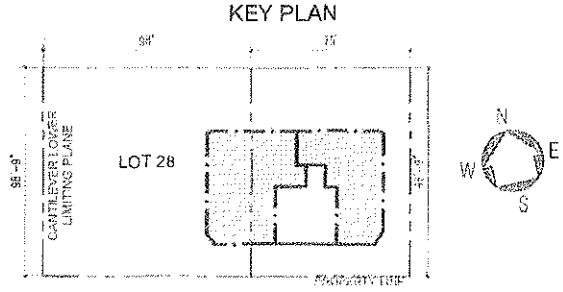
UNIT AREA: 1,530 S.F.




## 35TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

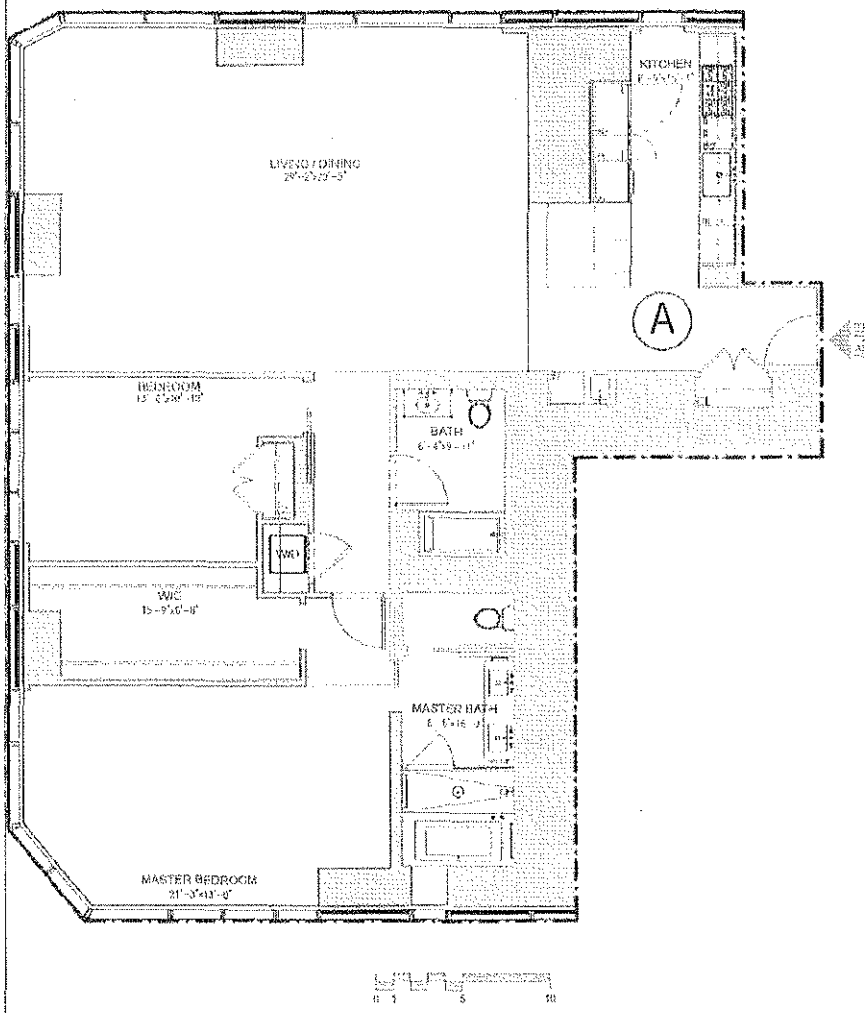
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 36A

2 BEDROOMS
2 BATHS

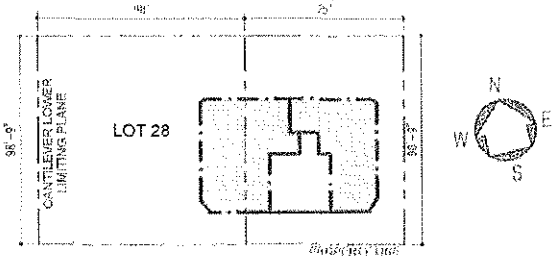
UNIT AREA: 2,053 S.F.




## 36TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

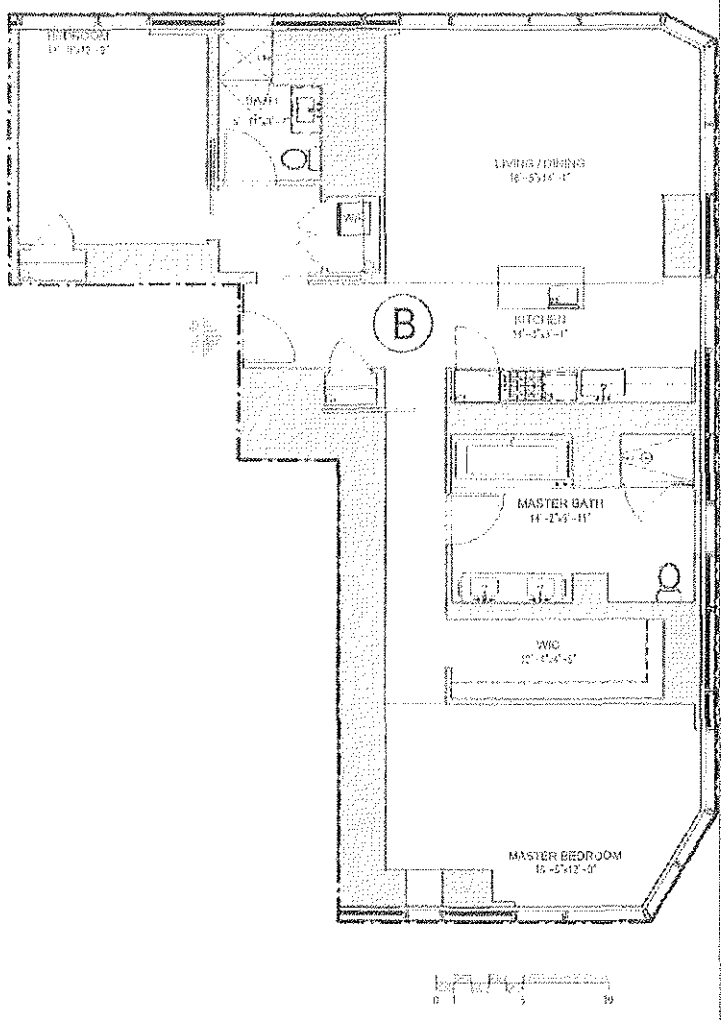
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 36B

2 BEDROOMS
2 BATHS

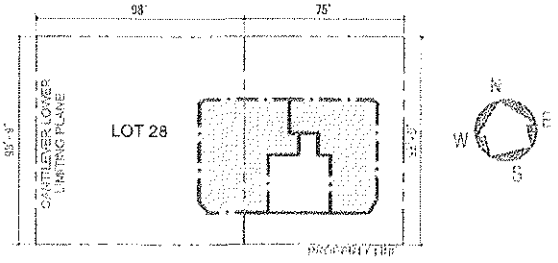
UNIT AREA: 1,534 S.F.




## 36TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

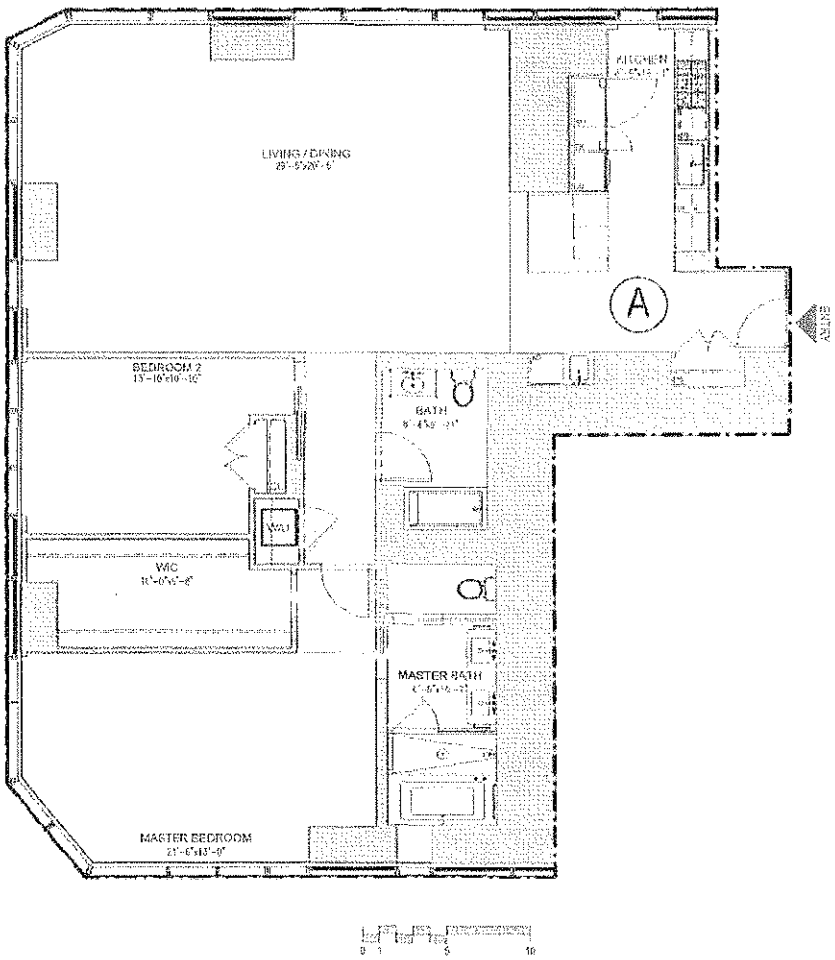
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 37A

2 BEDROOMS
2 BATHS

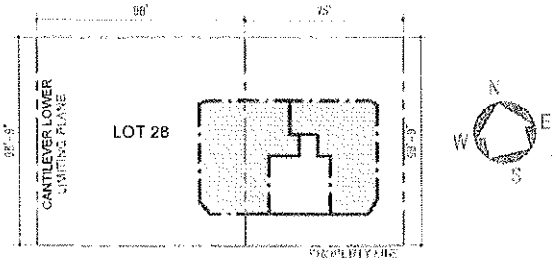
UNIT AREA: 2,064 S.F.




## 37TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

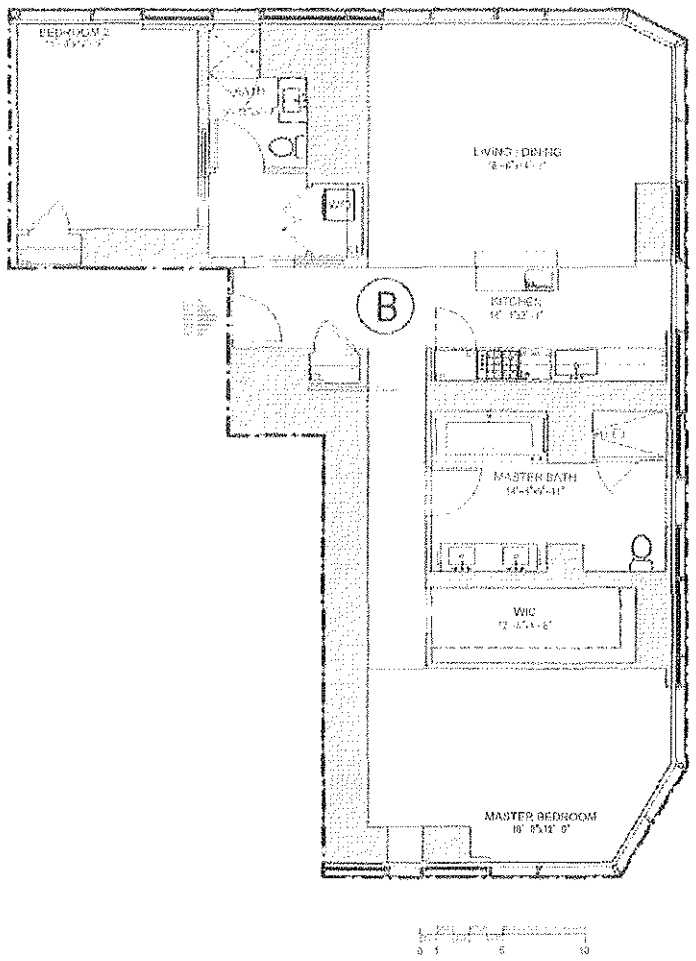
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/10

# RESIDENCE 37B

2 BEDROOMS
2 BATHS

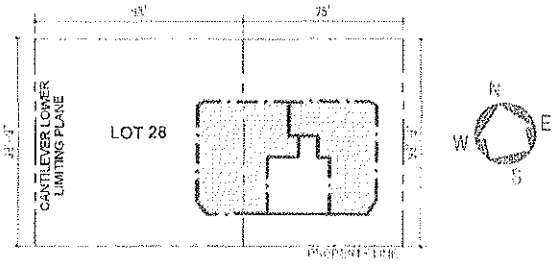
UNIT AREA: 1,539 S.F.




## 37TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

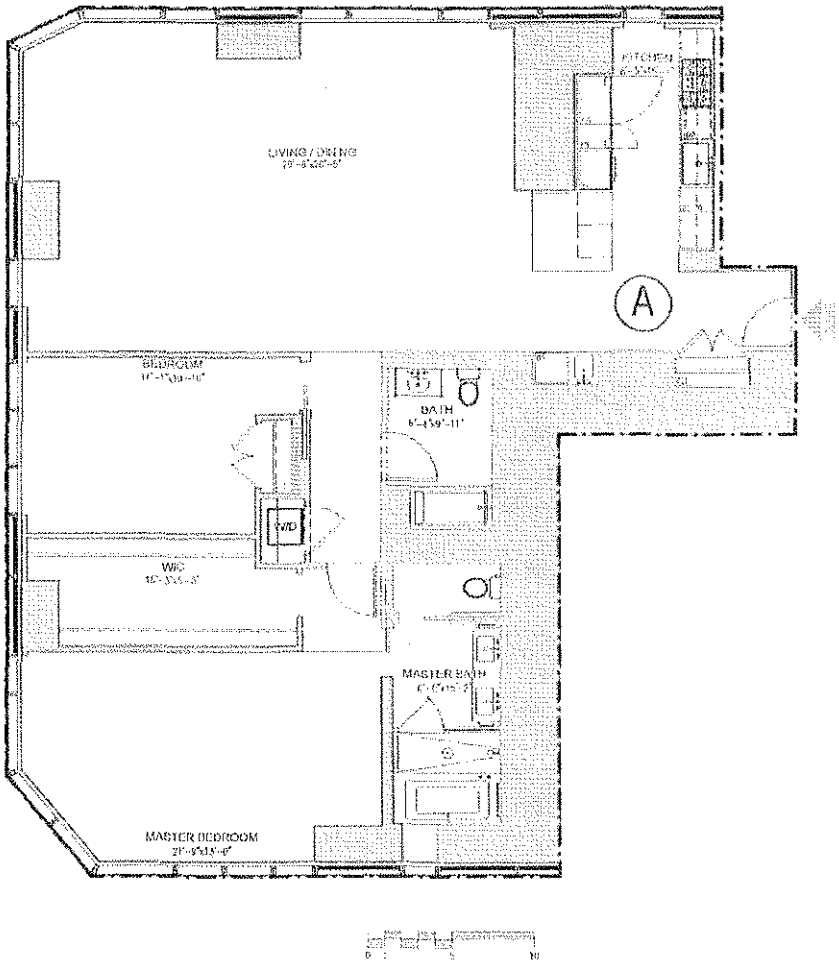
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 38A

2 BEDROOMS
2 BATHS

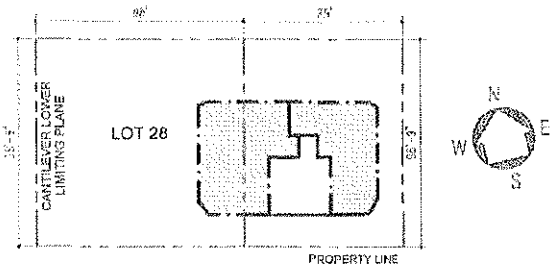
UNIT AREA: 2,174 S.F.




## 38TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

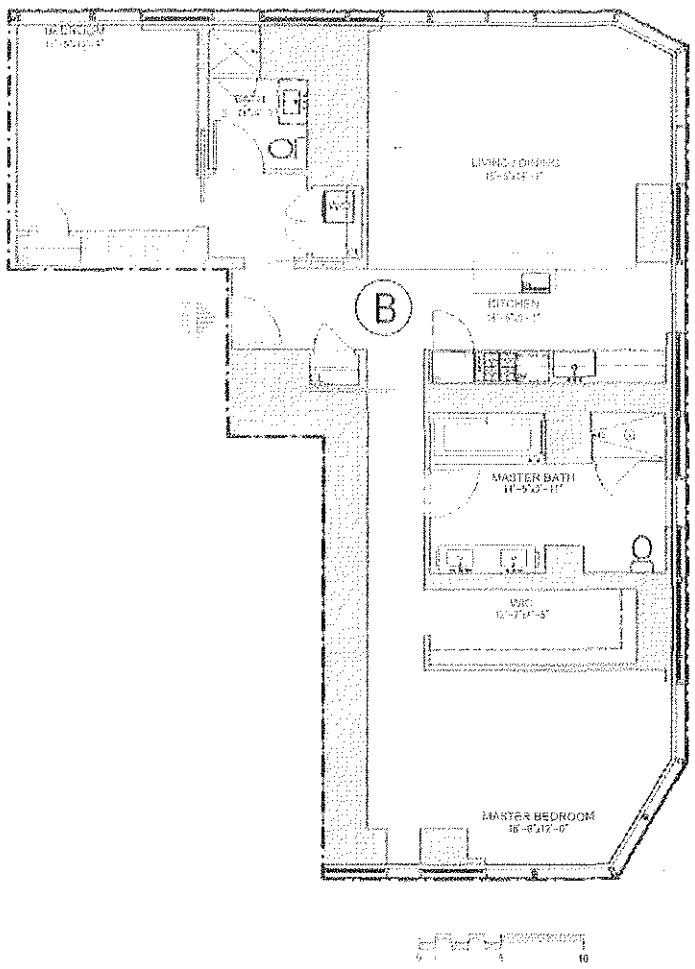
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 38B

2 BEDROOMS
2 BATHS

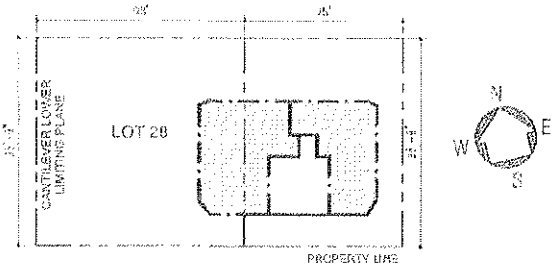
UNIT AREA: 1,542 S.F.




## 38TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

2014/07/16

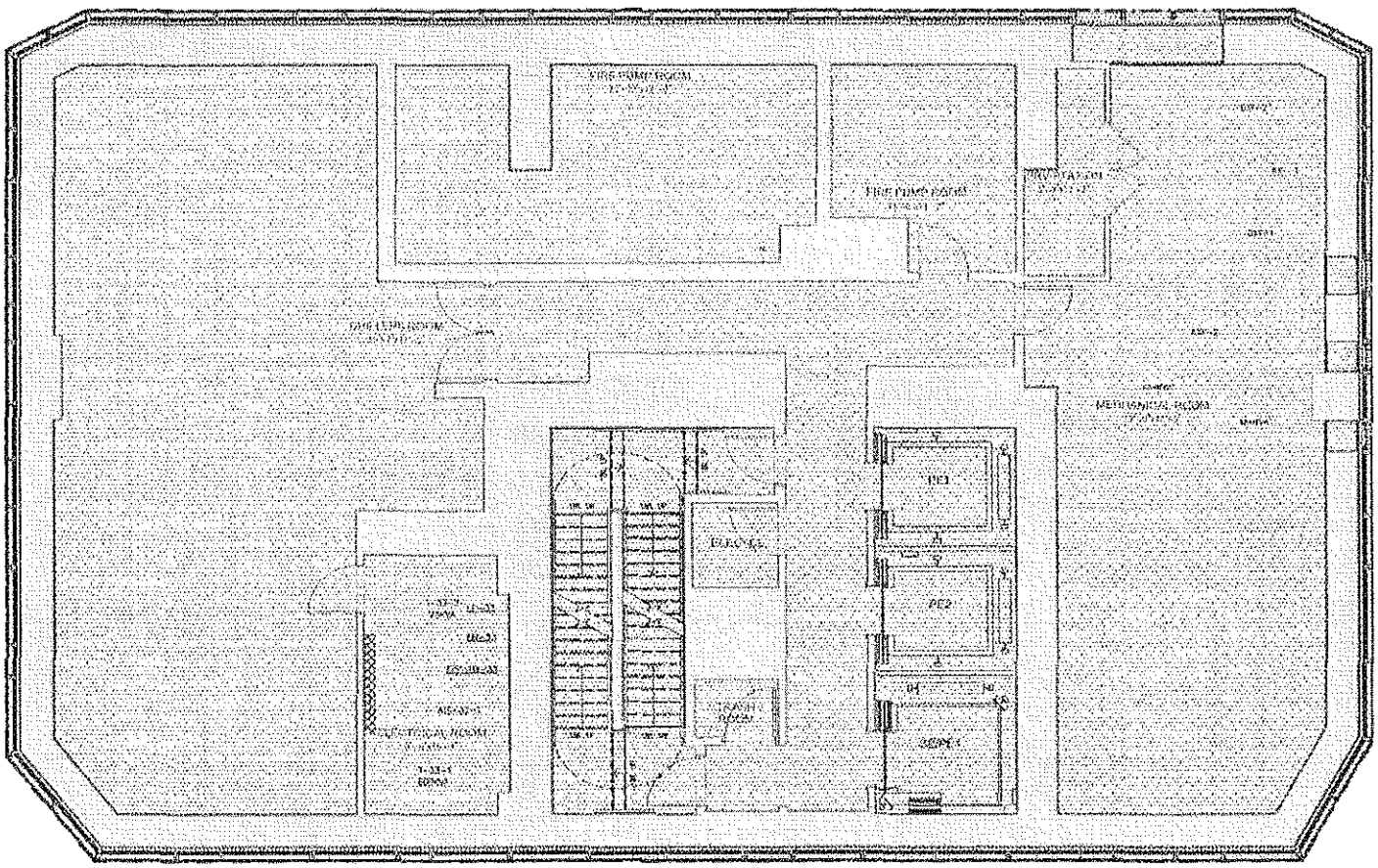
## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

# MECHANICAL FLOOR

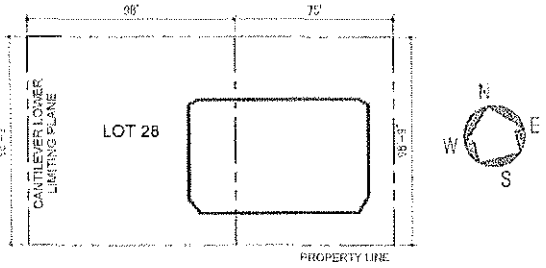




## 39TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

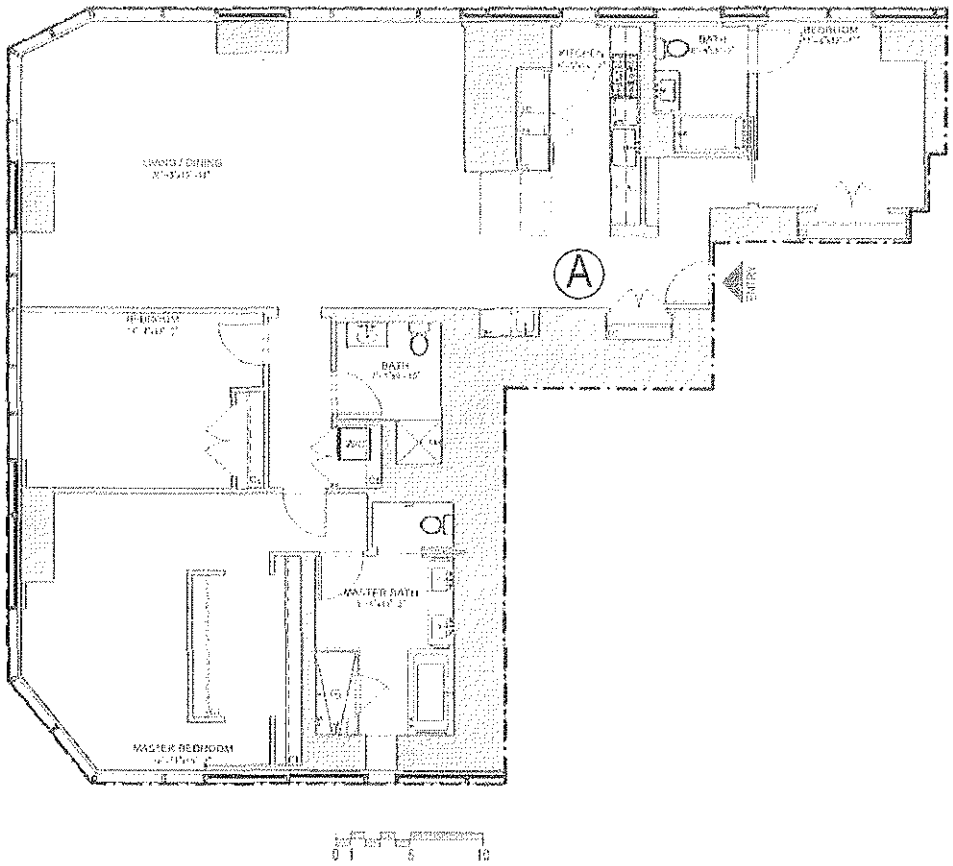
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 40A

3 BEDROOMS
3 BATHS

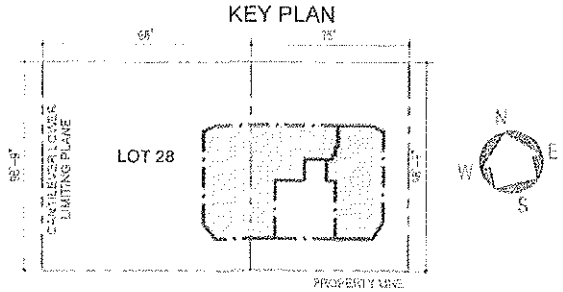
UNIT AREA: 2,414 S.F.




## 40TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

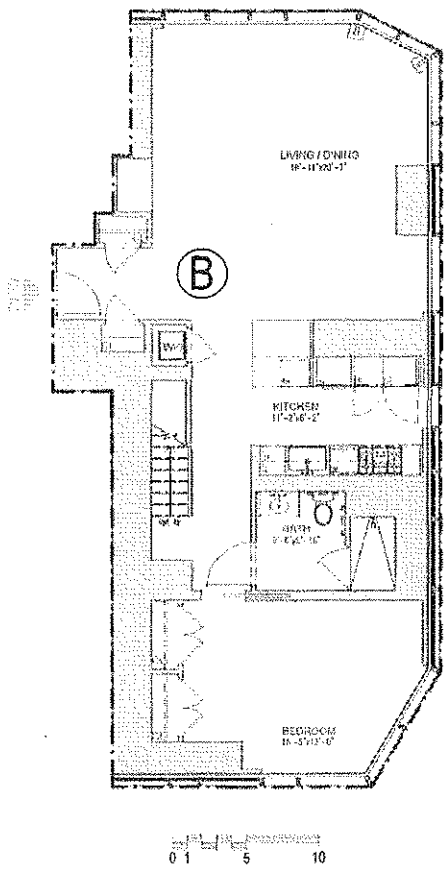
2014/07/15

# RESIDENCE 40B

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 2,144 S.F.

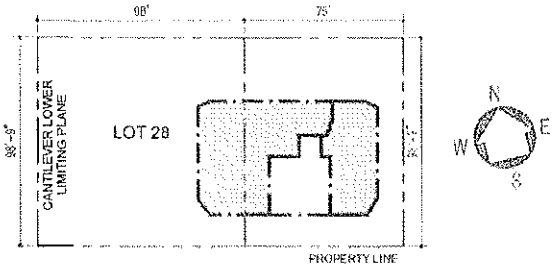
LOWER LEVEL




## 40TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

2014/07/16

# 45 EAST 22ND STREET

NEW YORK, NY 10010

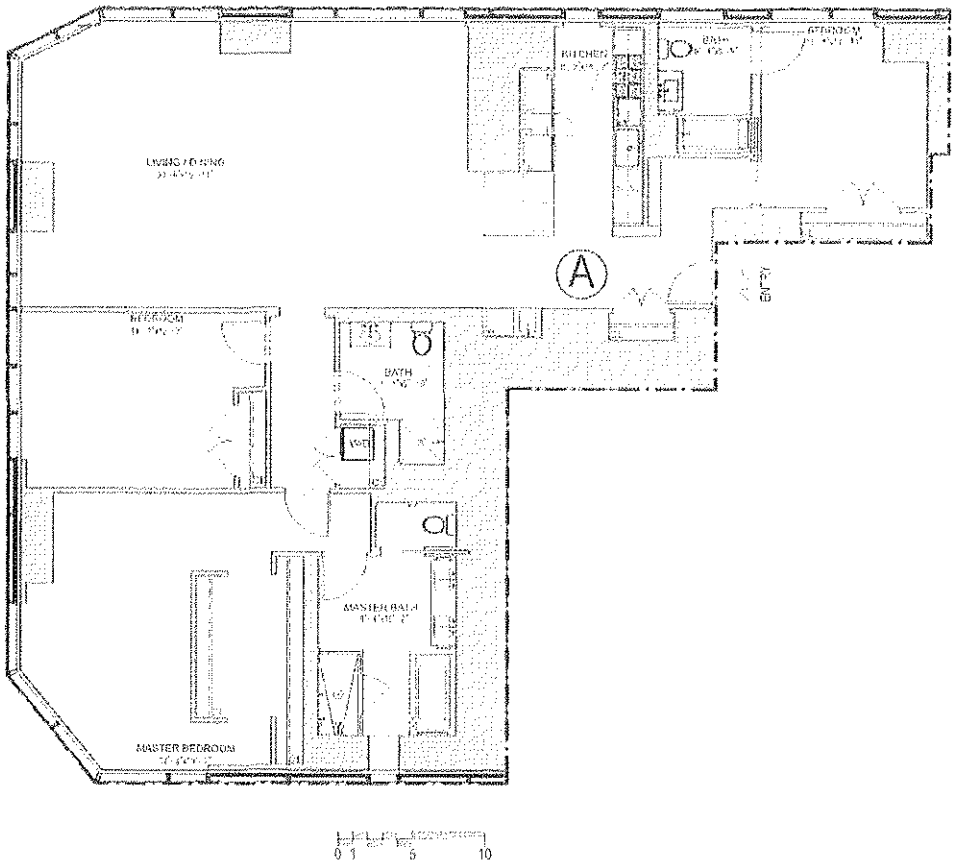
All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

# RESIDENCE 41A

3 BEDROOMS
3 BATHS

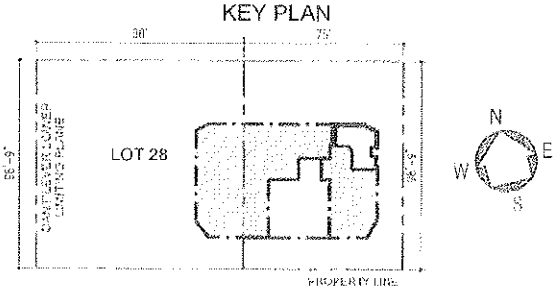
UNIT AREA: 2,427 S.F.




## 41ST FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

2014/07/16

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

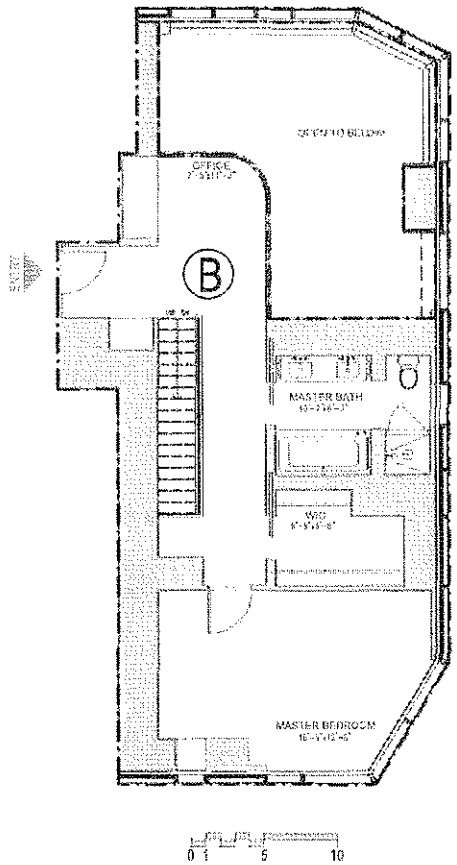
EAST 22ND STREET ACQUISITIONS HOLDING LLC

# RESIDENCE 40B

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL

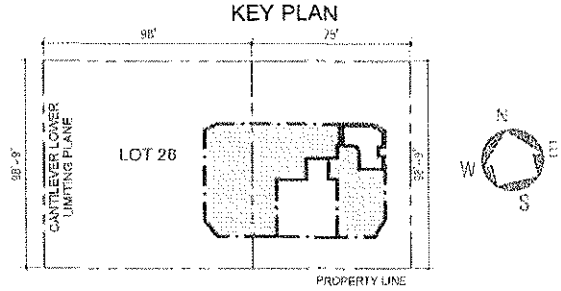
UPPER LEVEL




## 41ST FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

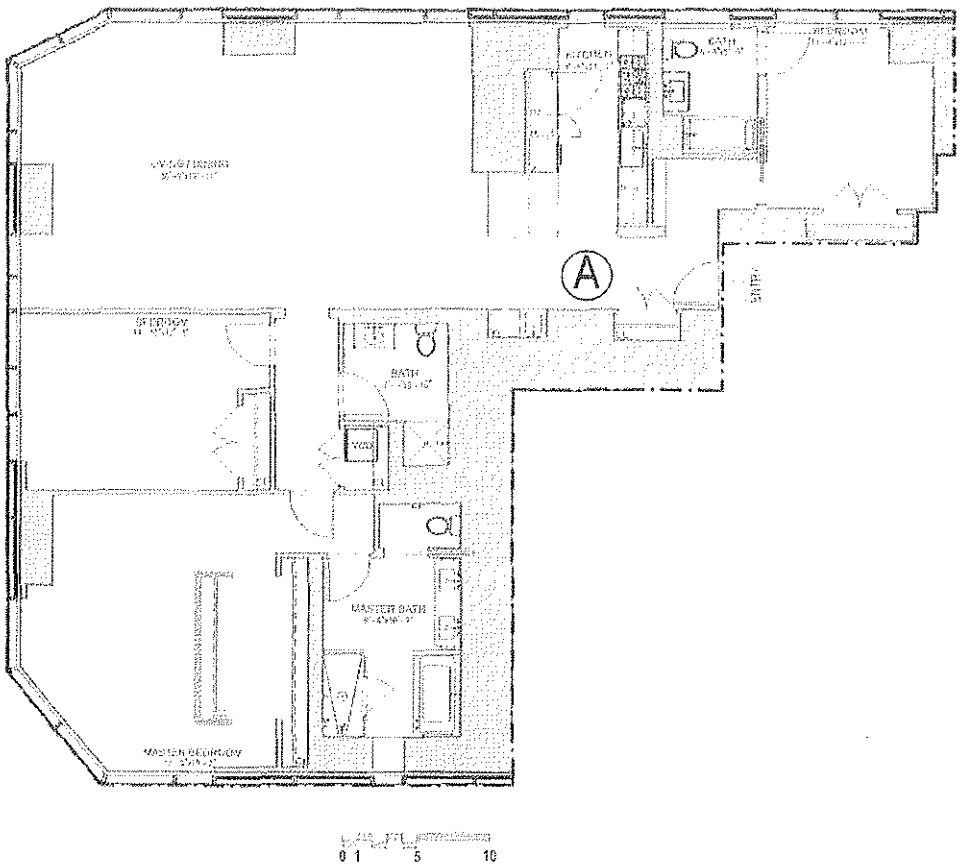
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 42A

3 BEDROOMS
3 BATHS

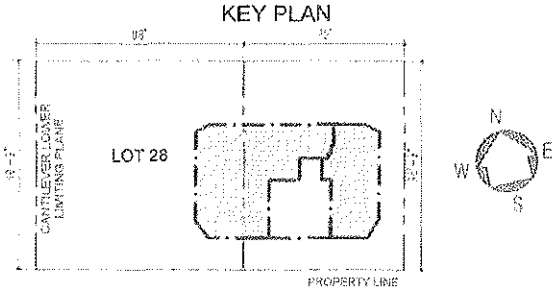
UNIT AREA: 2,433 S.F.




## 42ND FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

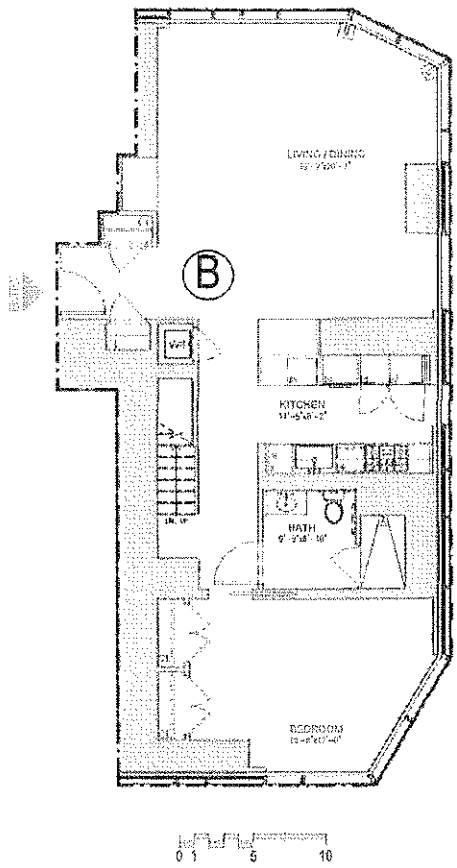
2014/07/16

# RESIDENCE 42B

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 2,154 S.F.

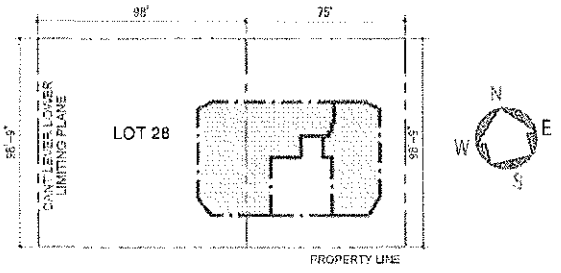
LOWER LEVEL




## 42ND FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

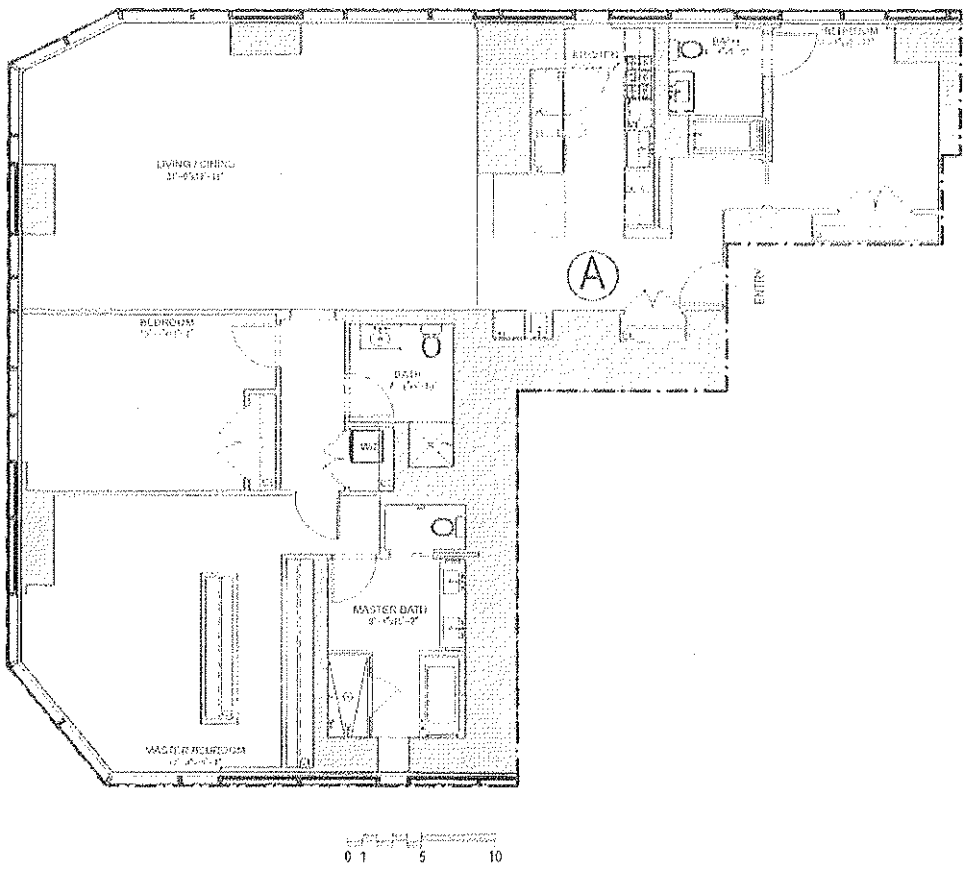
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 43A

3 BEDROOMS
3 BATHS

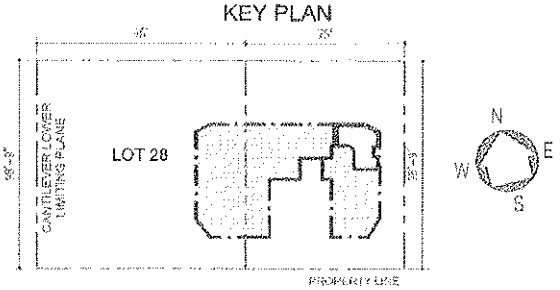
UNIT AREA: 2,445 S.F.




## 43RD FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

2014/07/16

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

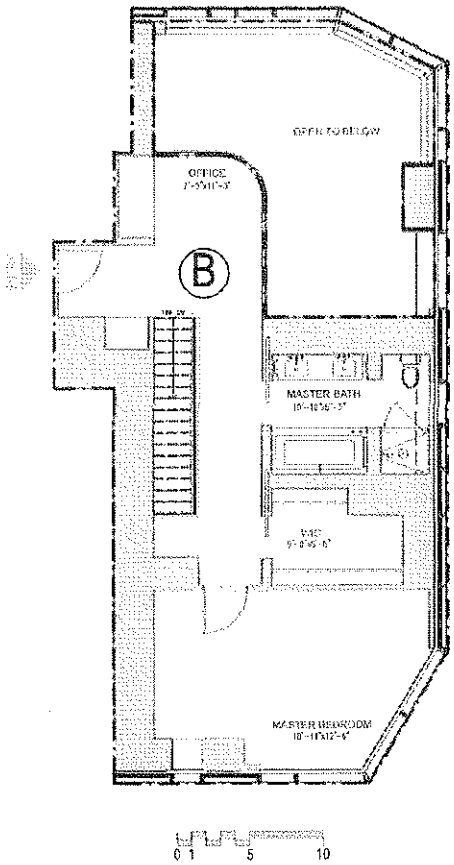
EAST 22ND STREET ACQUISITIONS HOLDING LLC

# RESIDENCE 42B

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL

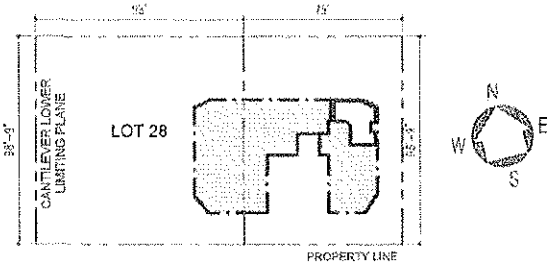
UPPER LEVEL




## 43RD FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

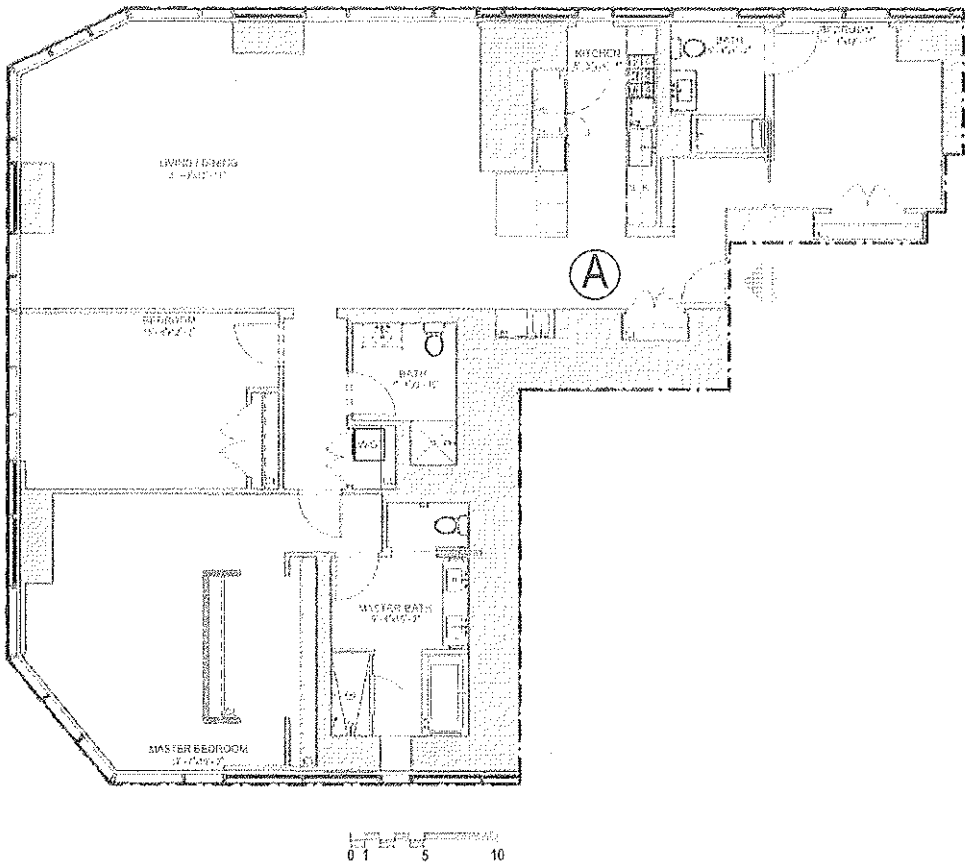
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 44A

3 BEDROOMS
3 BATHS

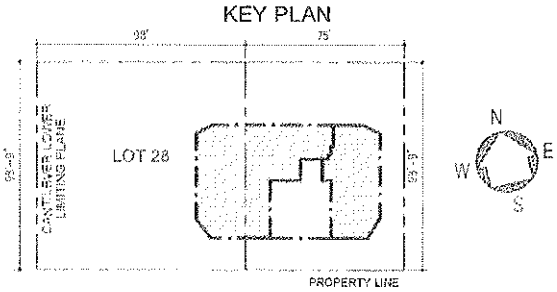
UNIT AREA: 2,451 S.F.




## 44TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

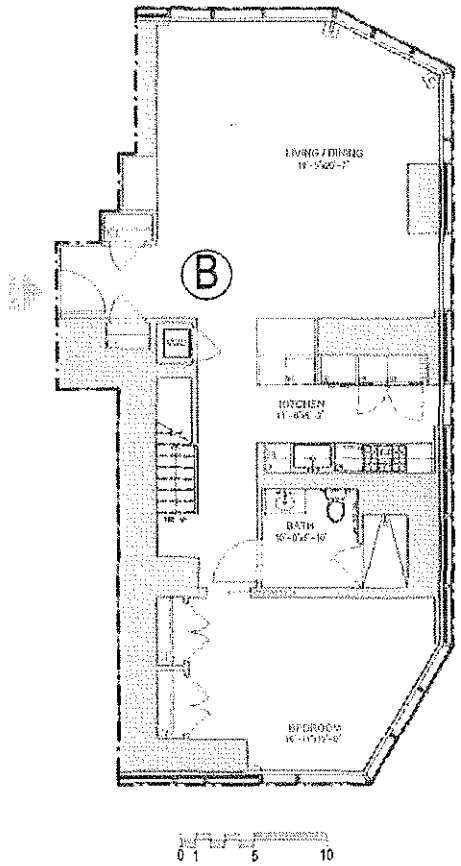
2014/07/16

# RESIDENCE 44B

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 2,162 S.F.

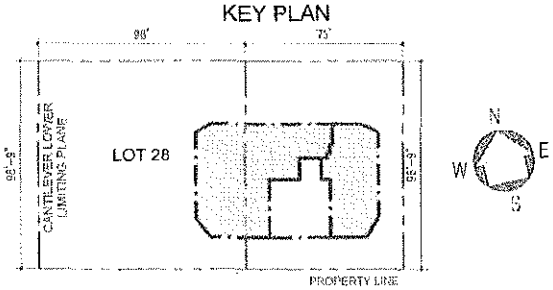
LOWER LEVEL




## 44TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

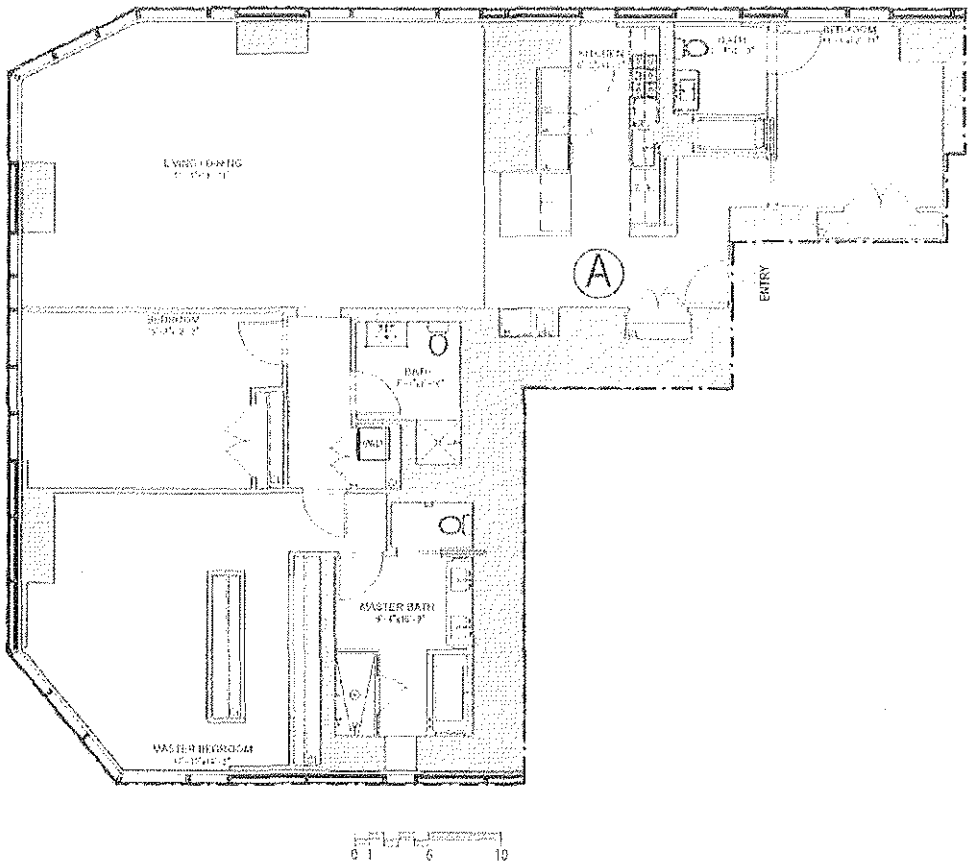
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 45A

3 BEDROOMS
3 BATHS

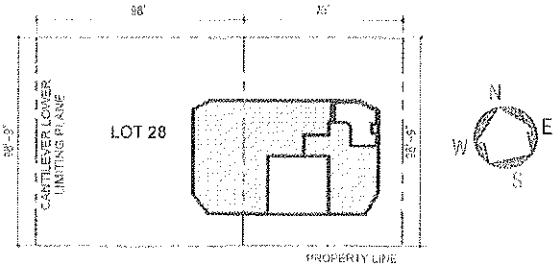
UNIT AREA: 2,462 S.F.




## 45TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

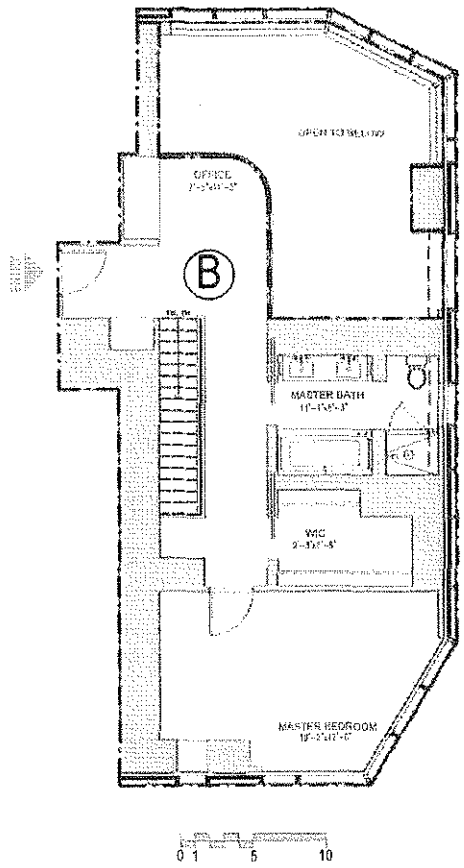
2014/07/10

# RESIDENCE 44B

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL

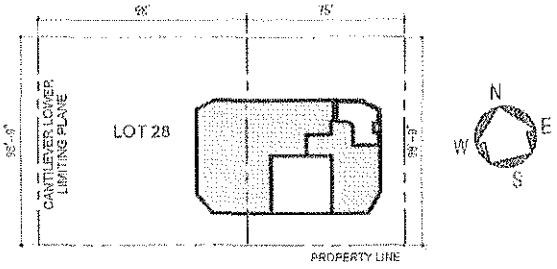
UPPER LEVEL




## 45TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

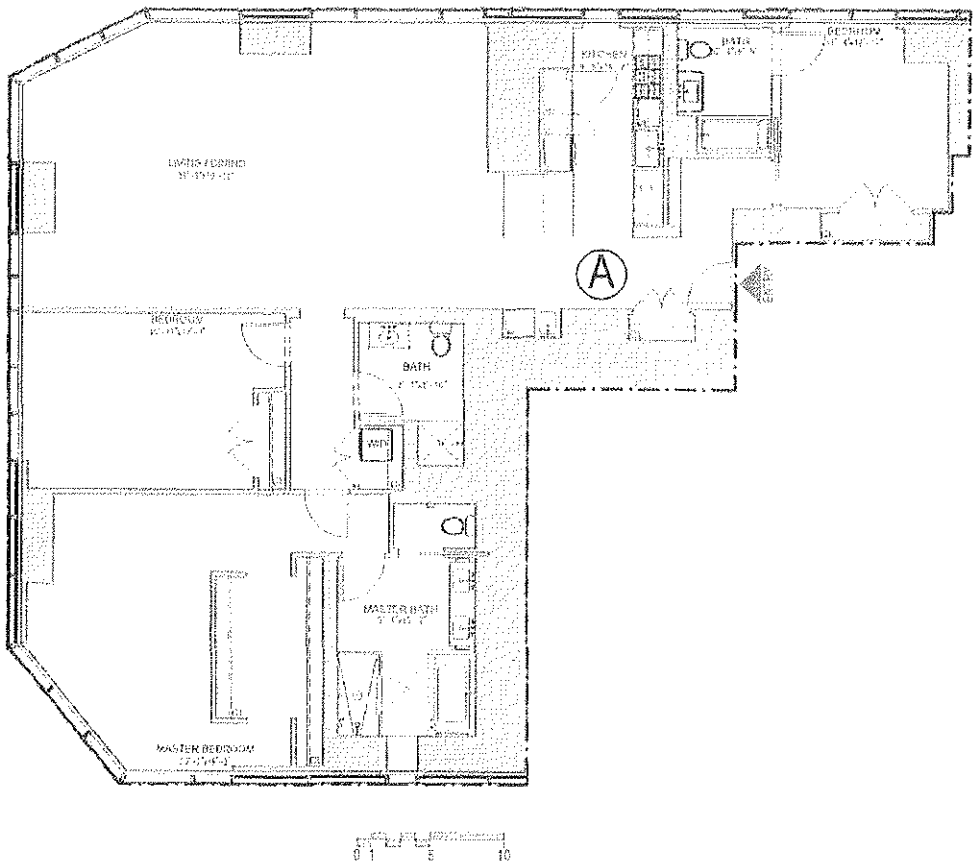
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 46A

3 BEDROOMS
3 BATHS

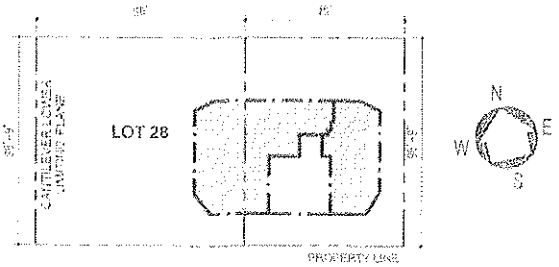
UNIT AREA: 2,467 S.F.




## 46TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

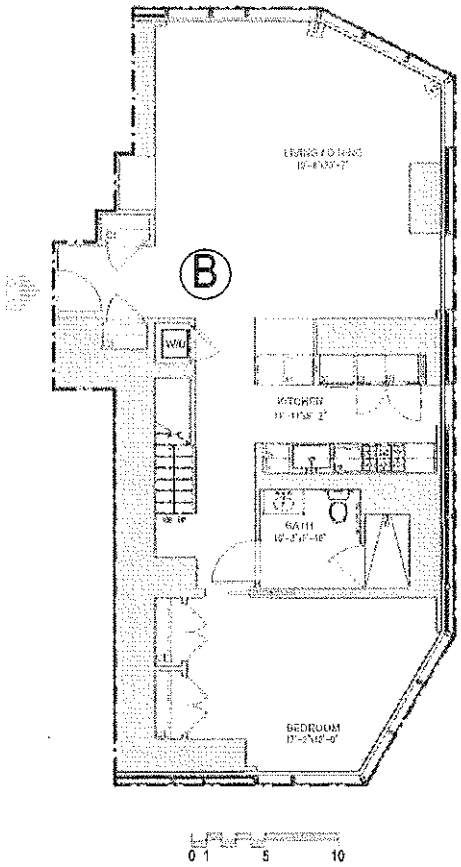
2014/07/16

# RESIDENCE 46B

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 2,164 S.F.

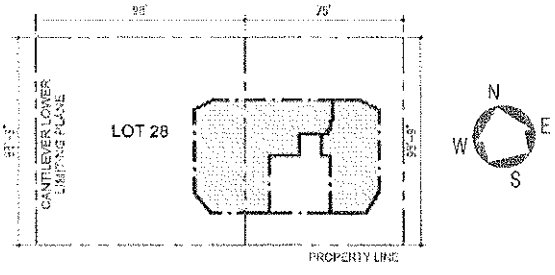
LOWER LEVEL




## 46TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

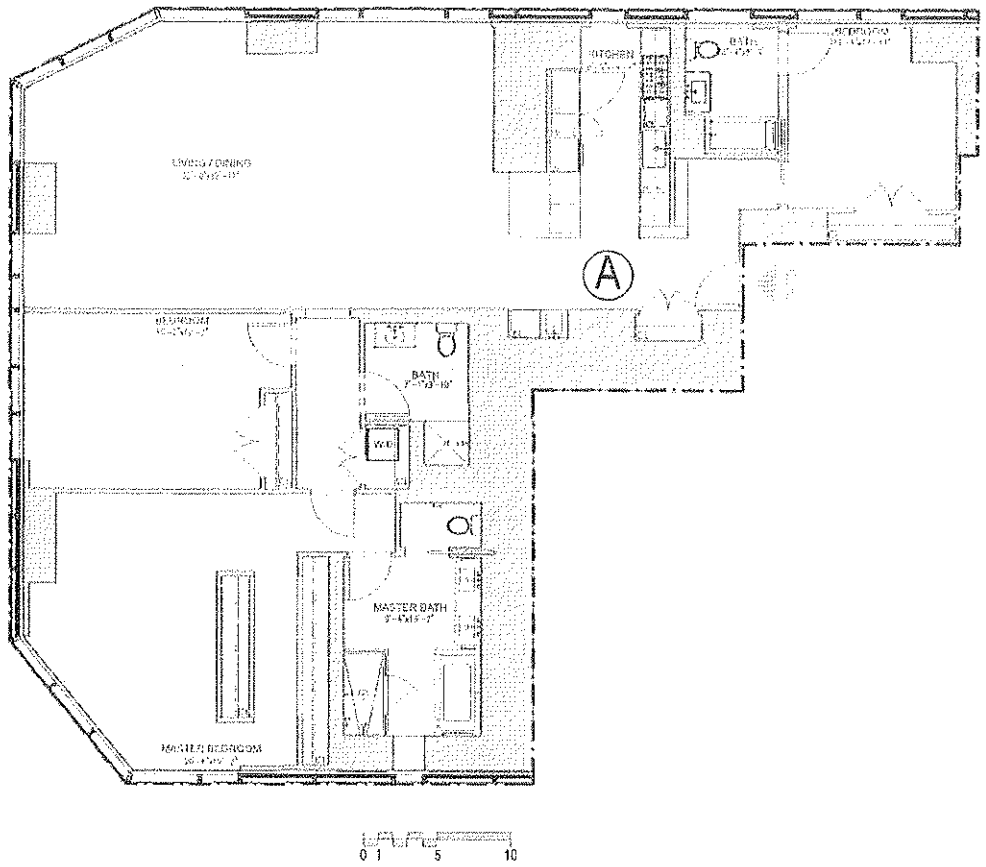
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 47A

3 BEDROOMS
3 BATHS

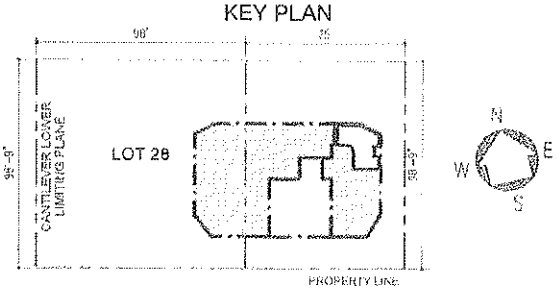
UNIT AREA: 2,478 S.F.




## 47TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

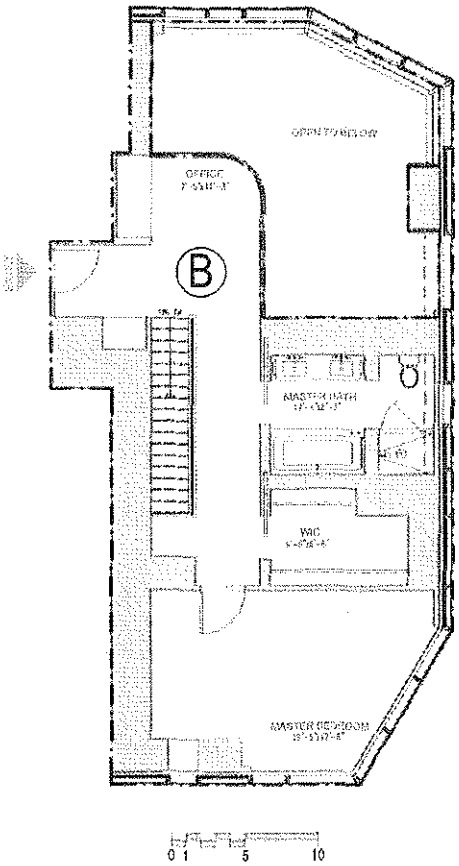
2014/07/16

# RESIDENCE 46B

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL

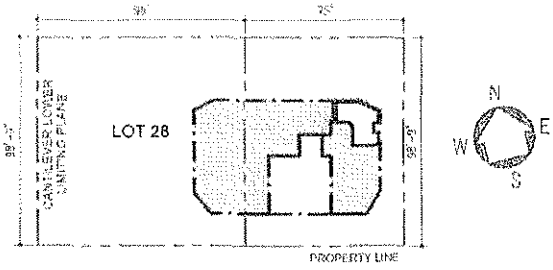
UPPER LEVEL




## 47TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

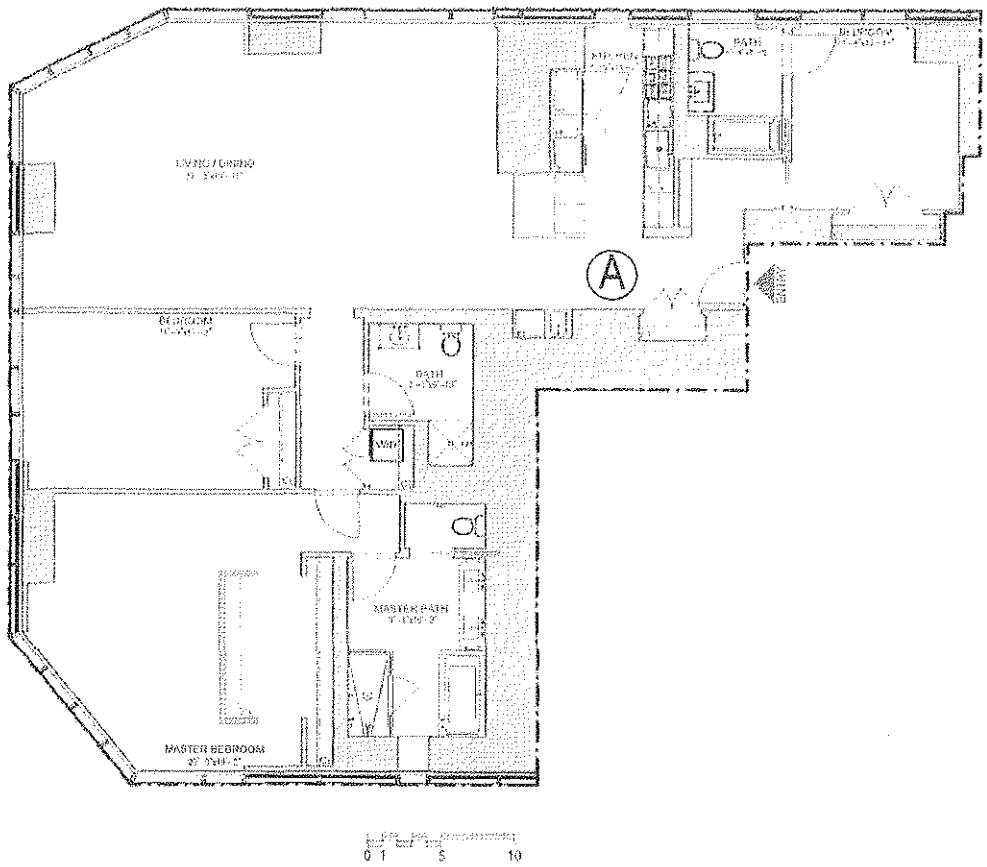
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 48A

3 BEDROOMS
3 BATHS

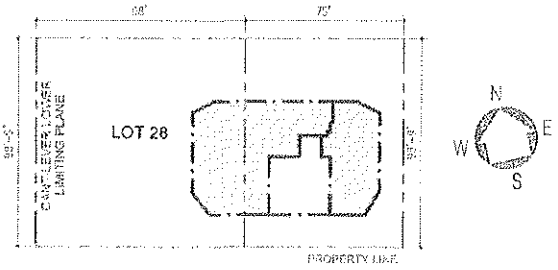
UNIT AREA: 2,482 S.F.




## 48TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

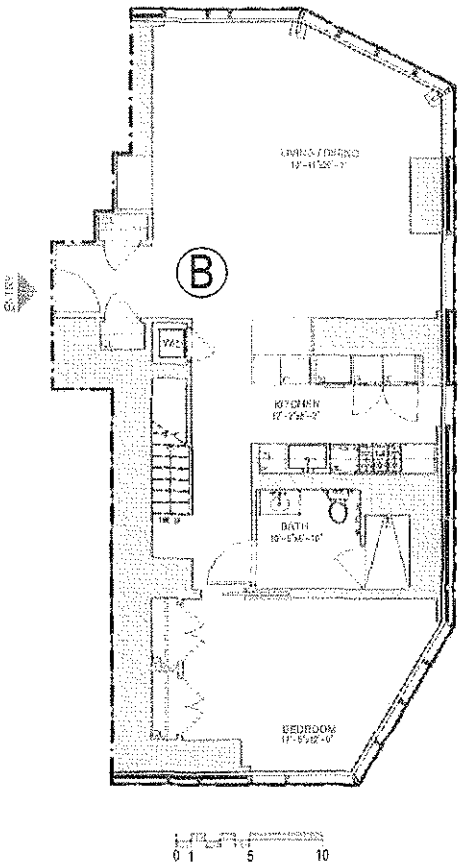
2014/07/16

# RESIDENCE 48B

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 2,169 S.F.

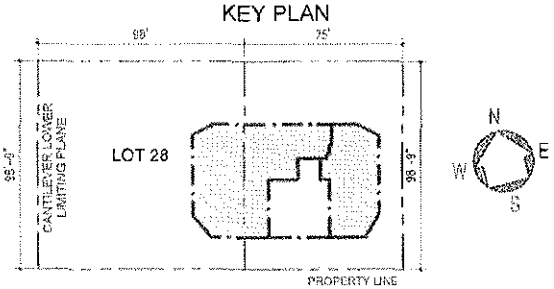
LOWER LEVEL




## 48TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

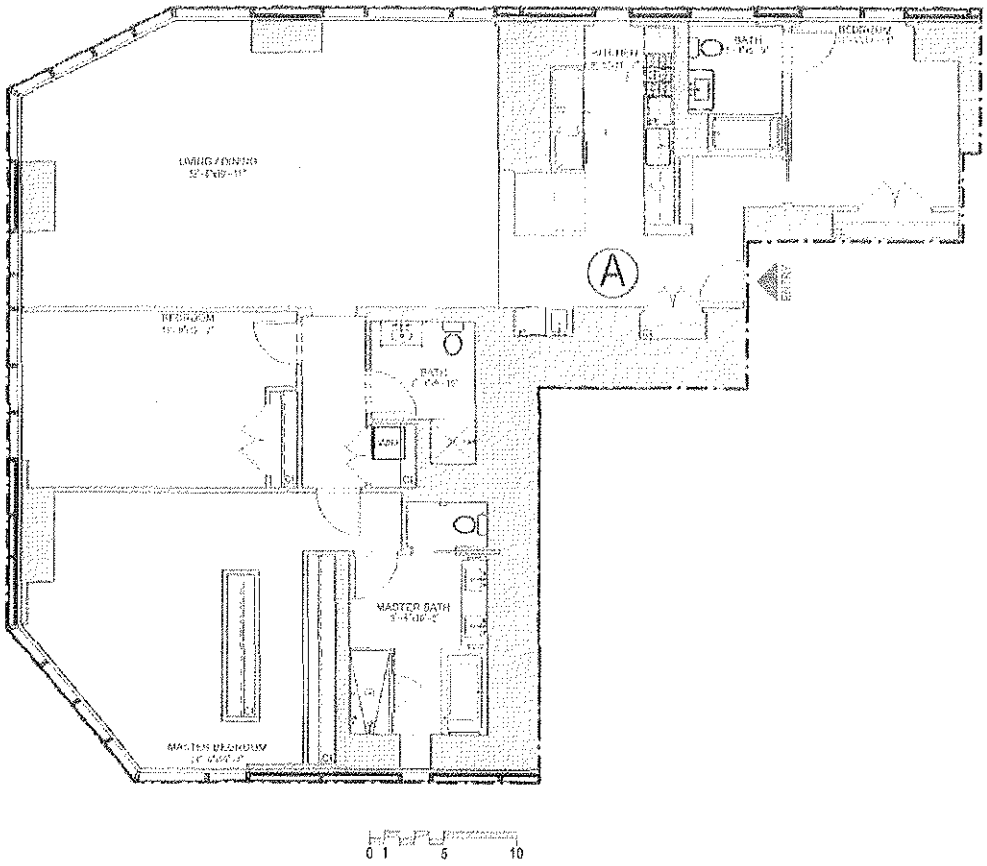
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 49A

3 BEDROOMS
3 BATHS

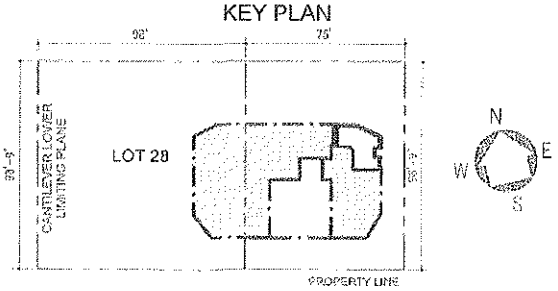
UNIT AREA: 2,492 S.F.




## 49TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

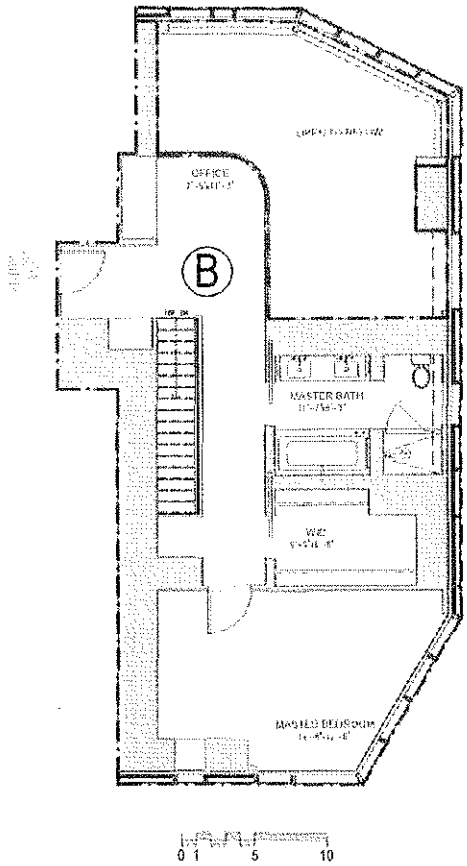
2014/07/15

# RESIDENCE 48B

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL

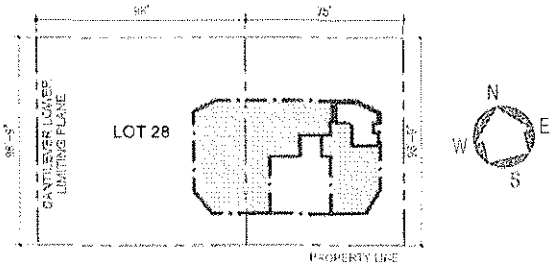
UPPER LEVEL




## 49TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

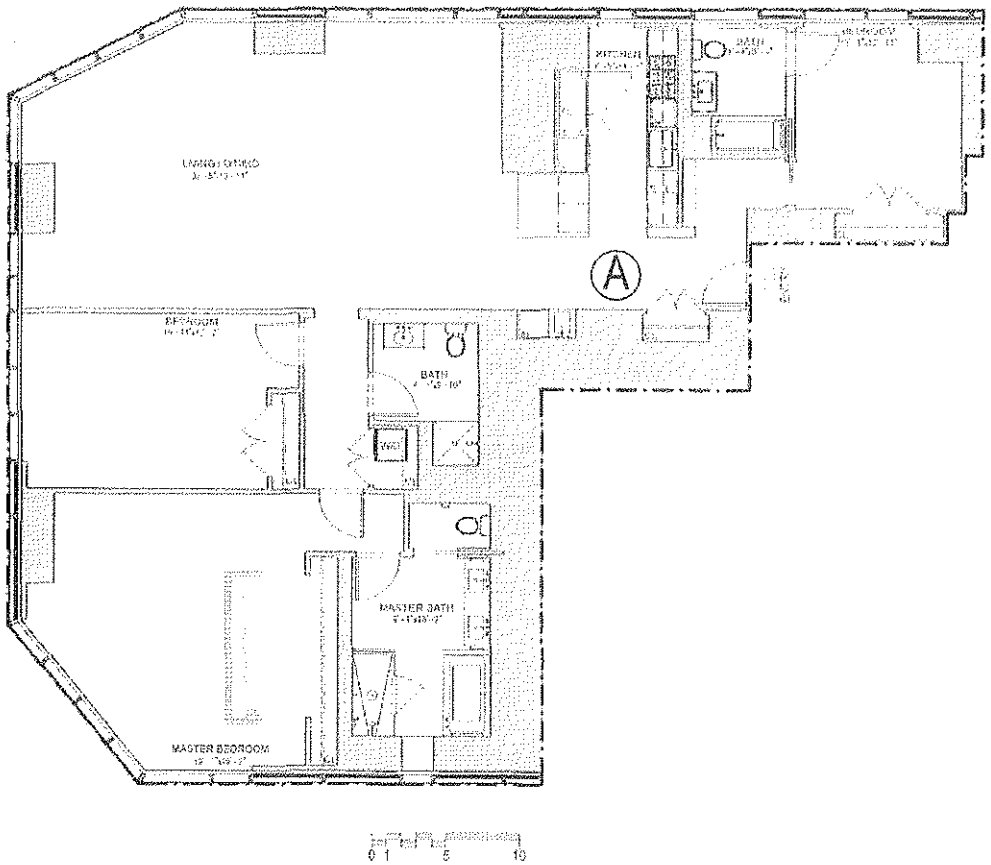
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 50A

3 BEDROOMS
3 BATHS

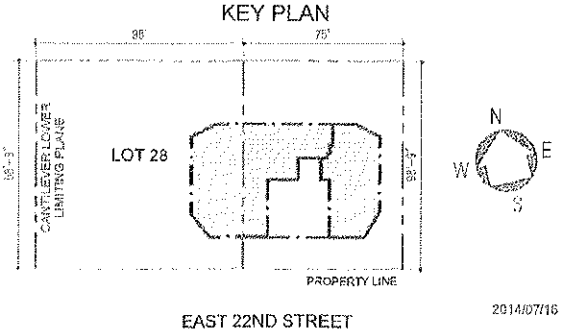
UNIT AREA: 2,496 S.F.




## 50TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

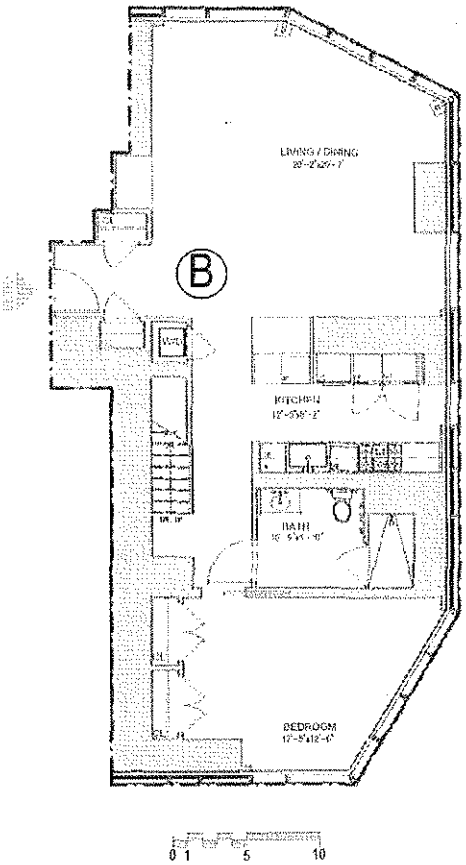
2014/07/16

# RESIDENCE 50B

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 2,173 S.F.

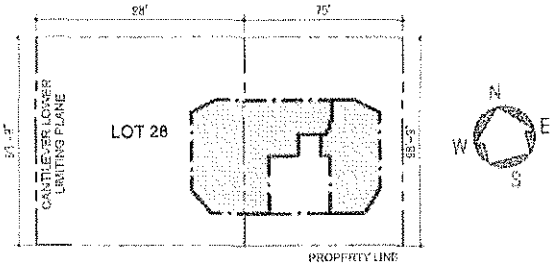
LOWER LEVEL




## 50TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

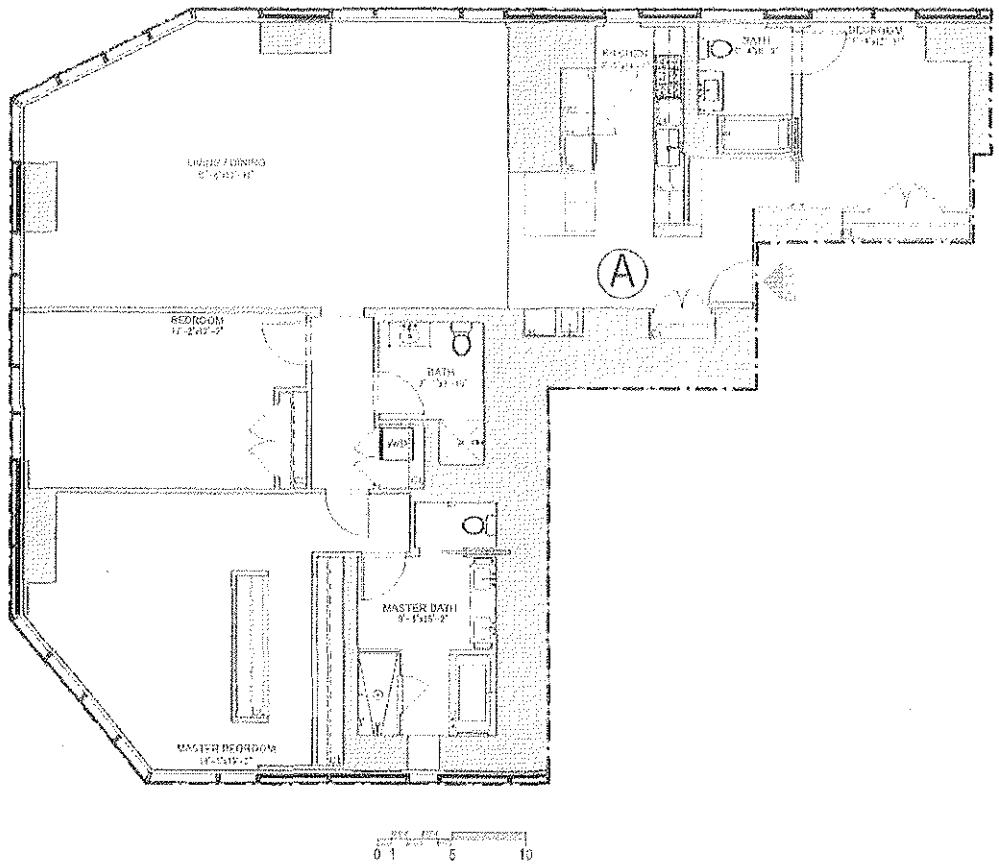
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 51A

3 BEDROOMS
3 BATHS

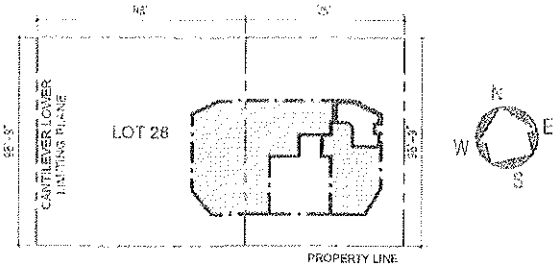
UNIT AREA: 2,505 S.F.




## 51ST FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

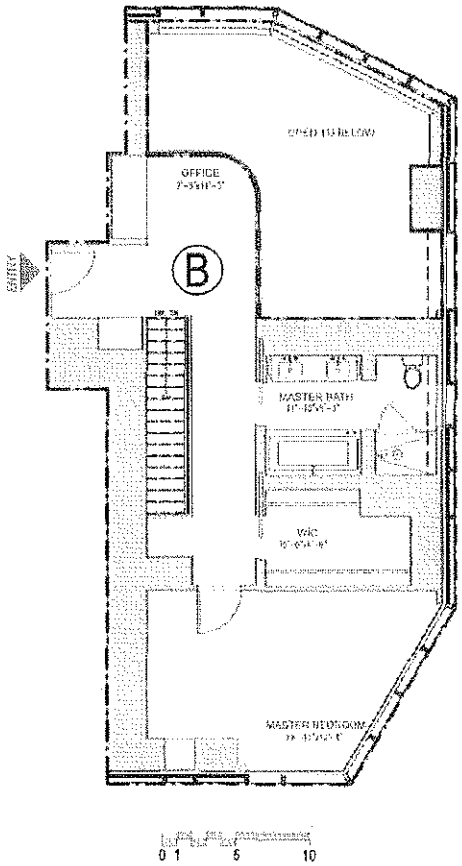
2014/07/16

# RESIDENCE 50B

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL

UPPER LEVEL



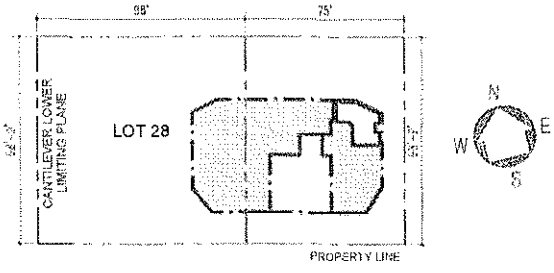




## 51ST FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

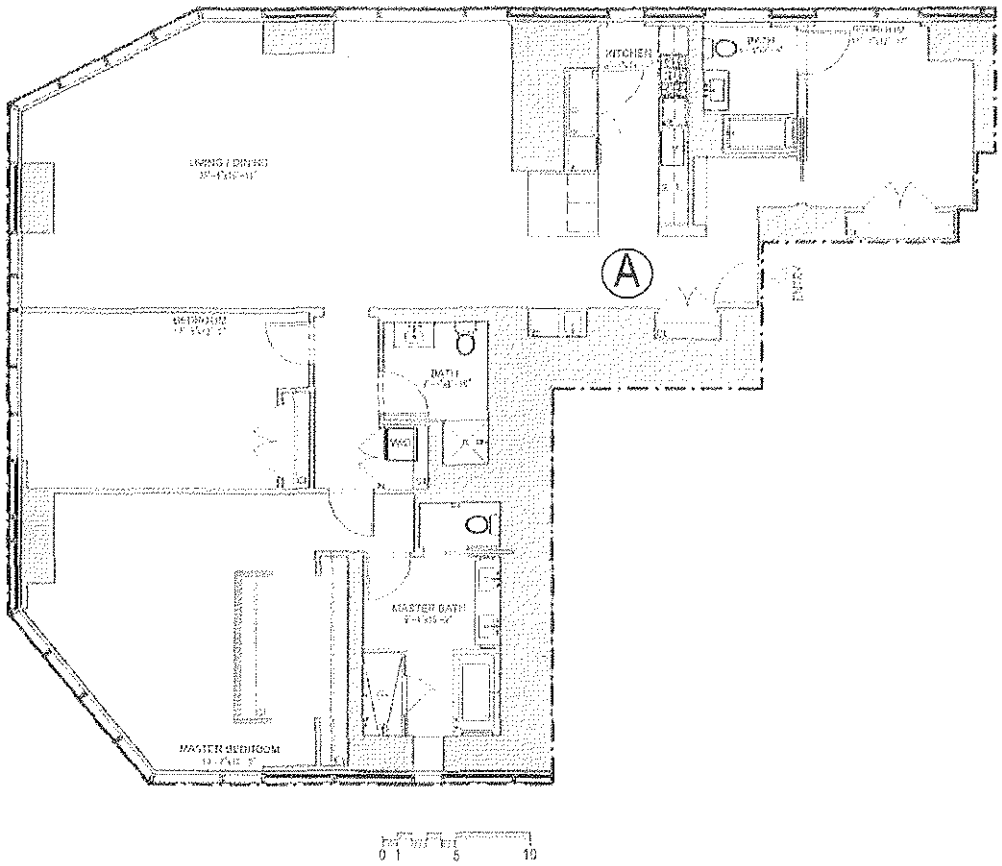
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 52A

3 BEDROOMS
3 BATHS

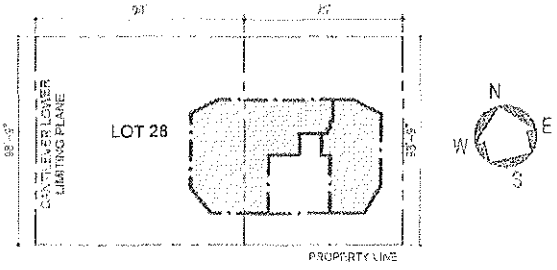
UNIT AREA: 2,509 S.F.




## 52ND FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

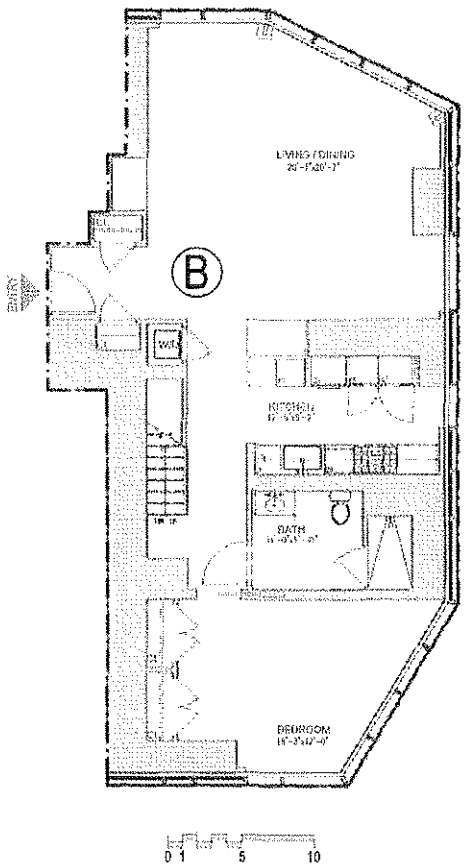
2014/07/16

# RESIDENCE 52B

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 2,175 S.F.

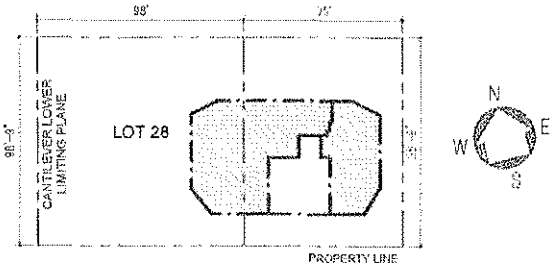
LOWER LEVEL




## 52ND FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

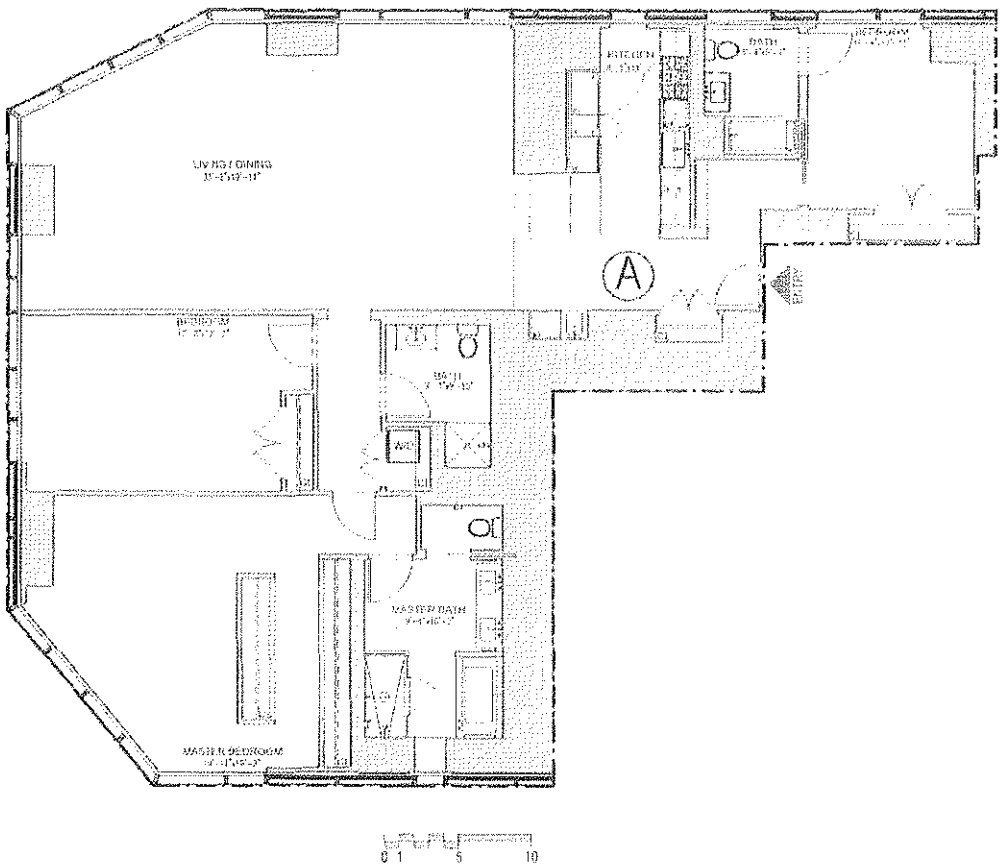
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 53A

3 BEDROOMS
3 BATHS

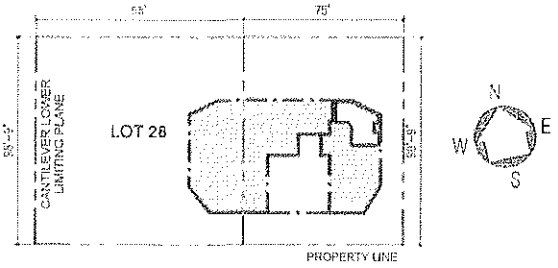
UNIT AREA: 2,517 S.F.




## 53RD FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

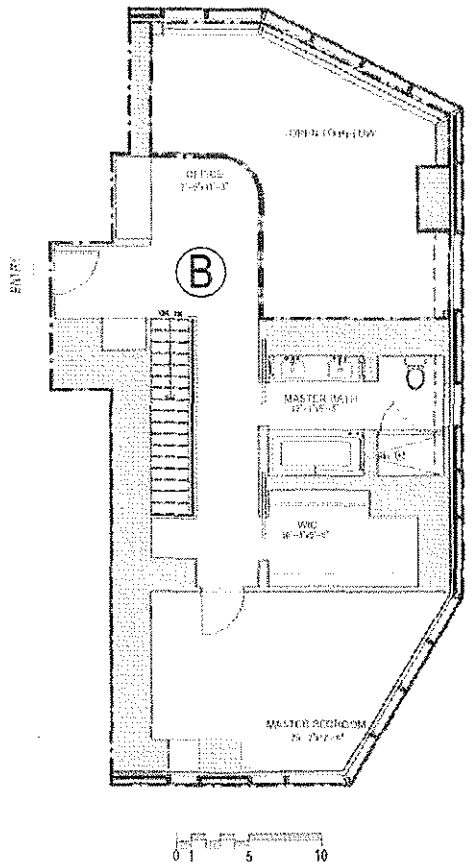
2014/07/16

# RESIDENCE 52B

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL

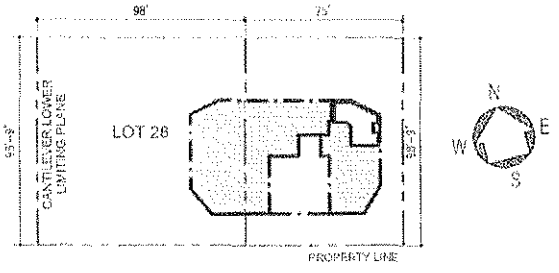
UPPER LEVEL




## 53RD FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

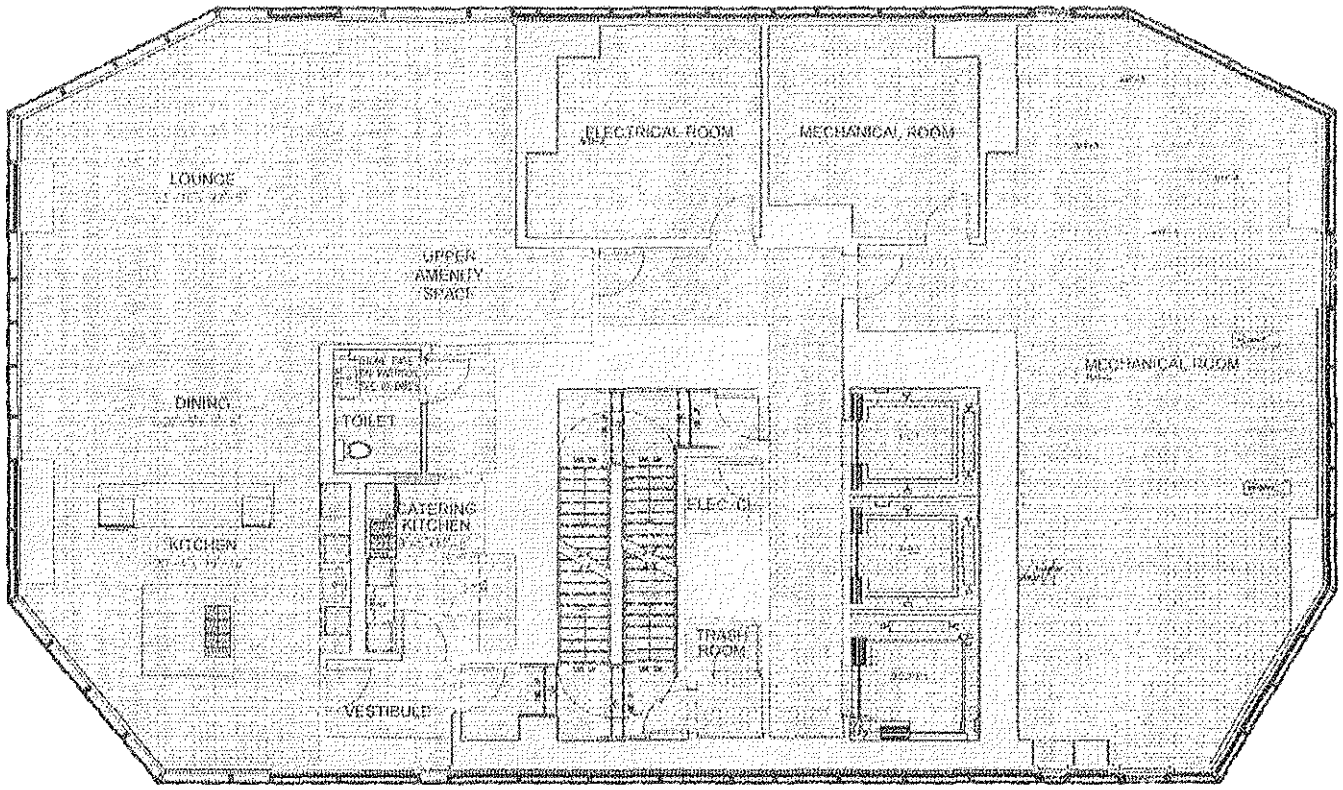
NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

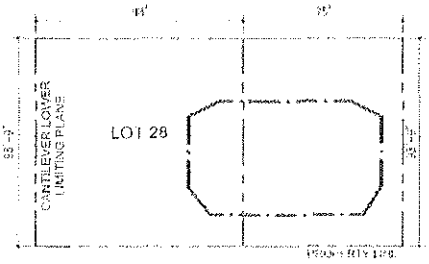
# UPPER AMENITY




# 54TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

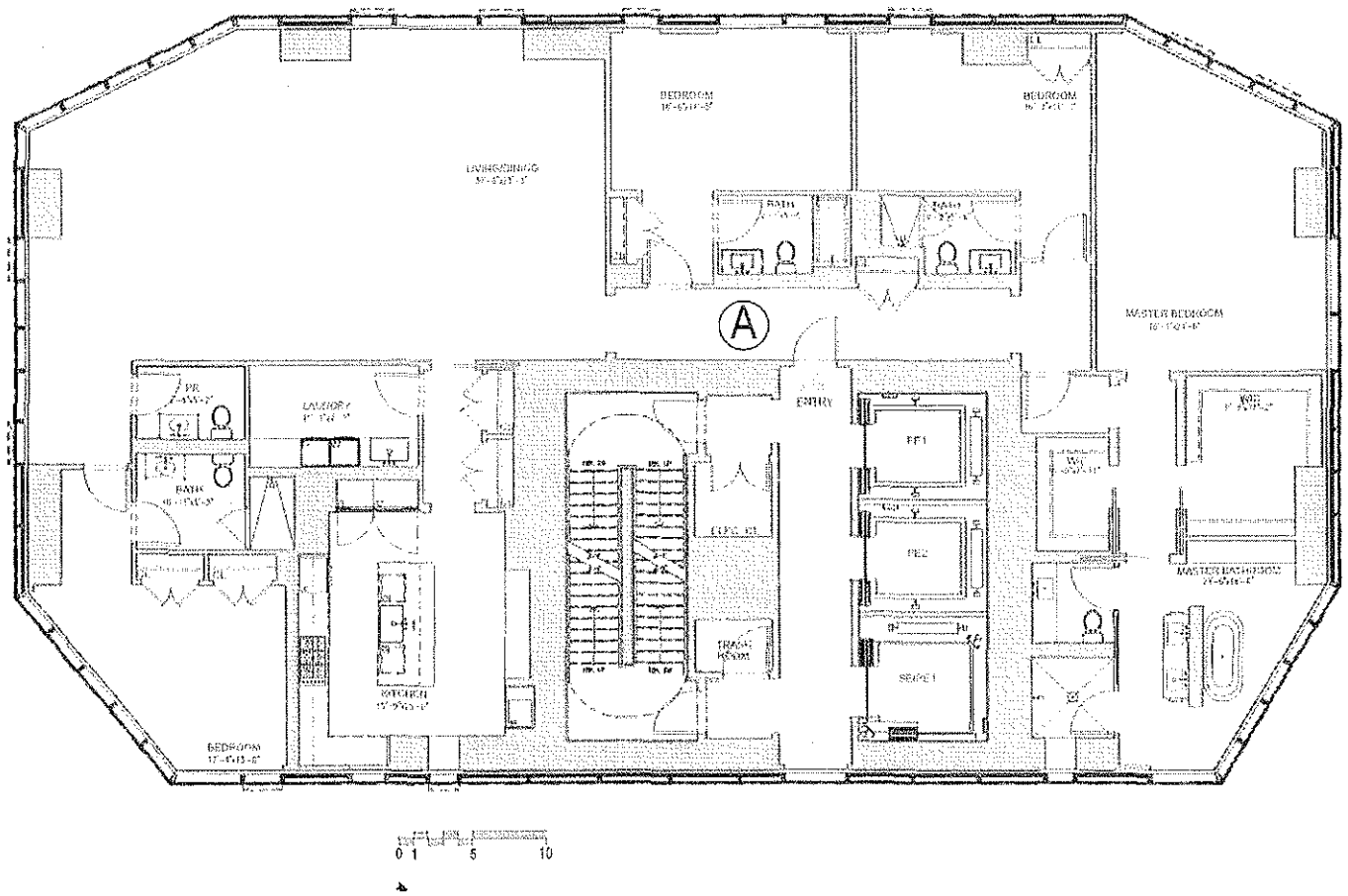
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 55A

4 BEDROOMS
4 1/2 BATHS

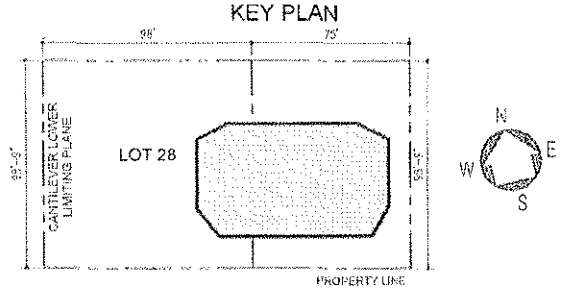
UNIT AREA: 4,651 S.F.




## 55TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

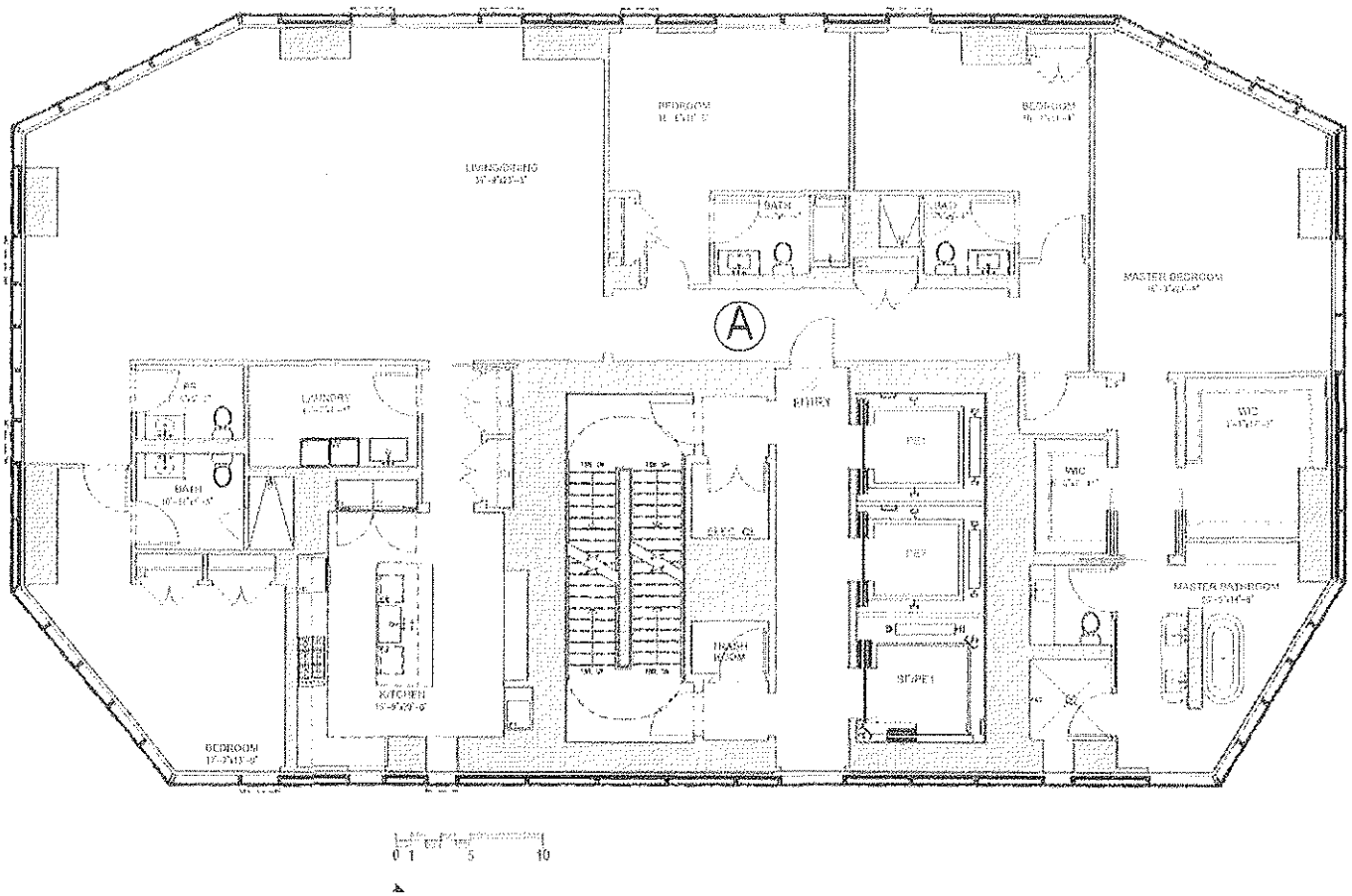
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 56A

4 BEDROOMS
4 1/2 BATHS

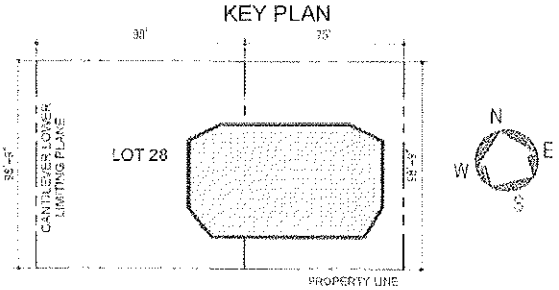
UNIT AREA: 4,655 S.F.




## 56TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

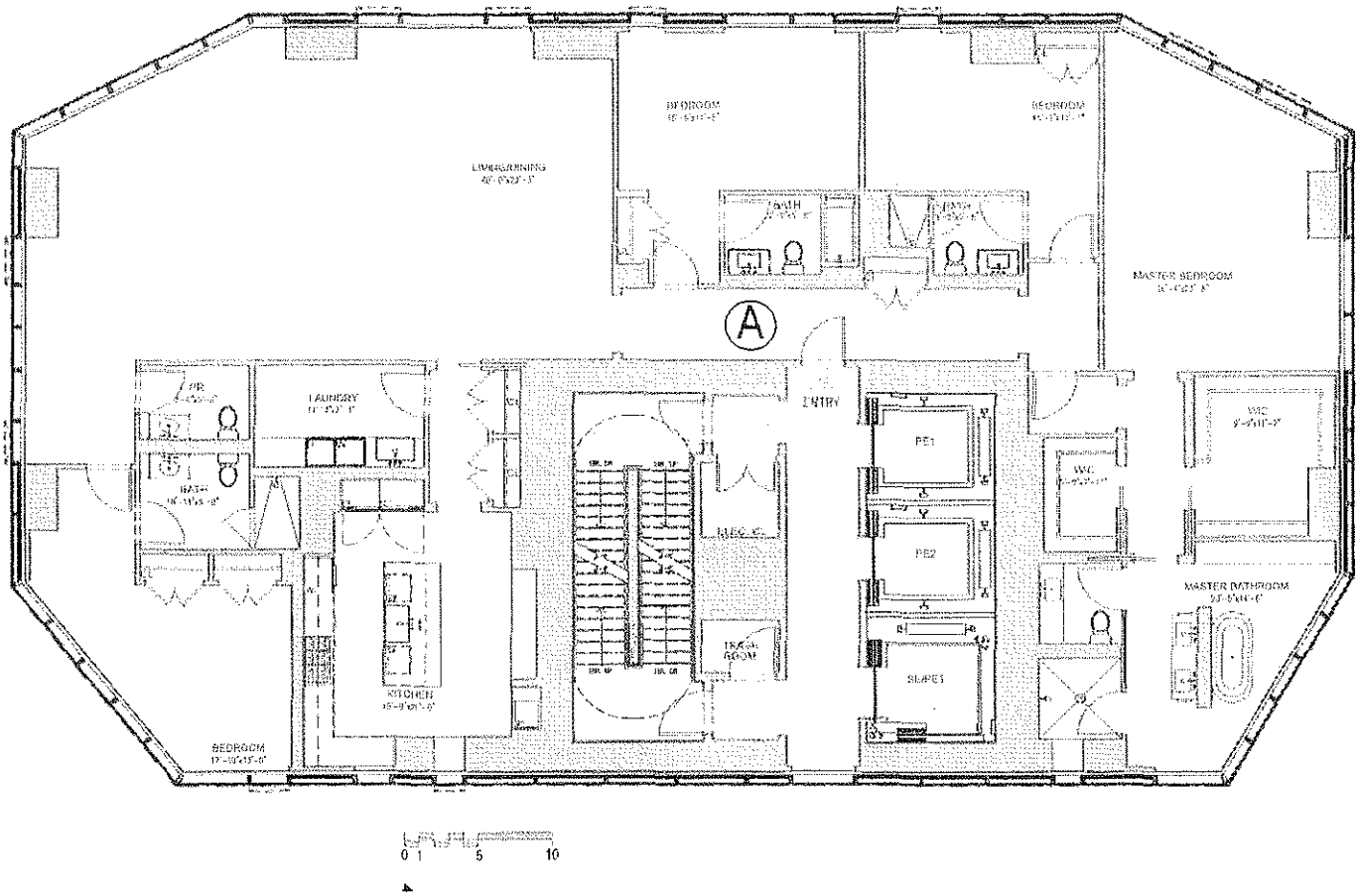
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2016/07/16

# RESIDENCE 57A

4 BEDROOMS
4 1/2 BATHS

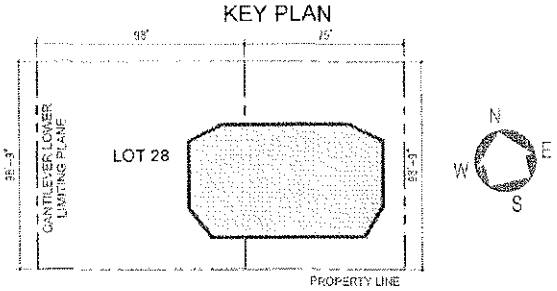
UNIT AREA: 4,658 S.F.




## 57TH FLOOR

COMMON ELEMENT

KEY PLAN




EAST 22ND STREET

# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

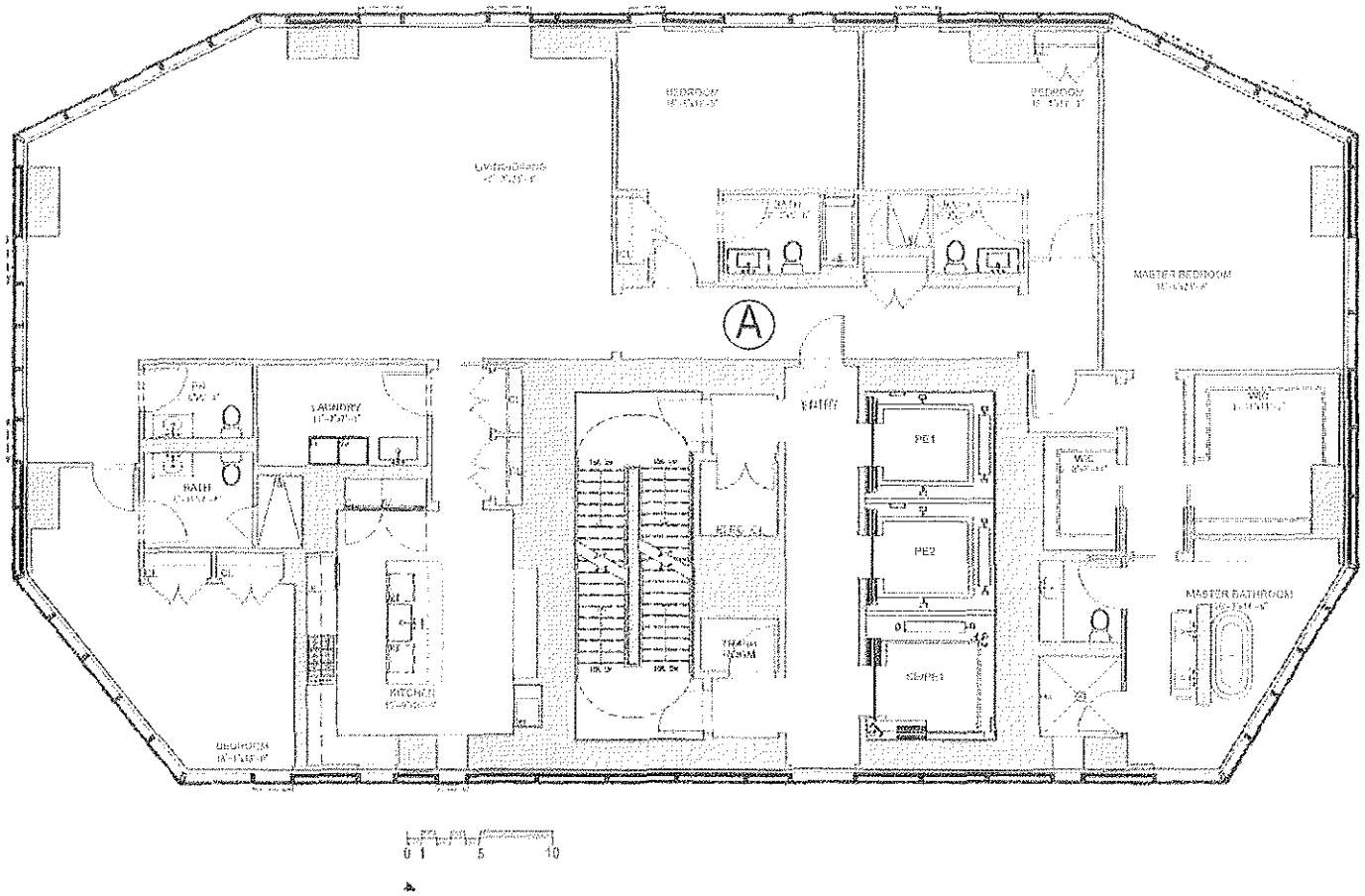
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 58A

4 BEDROOMS
4 1/2 BATHS

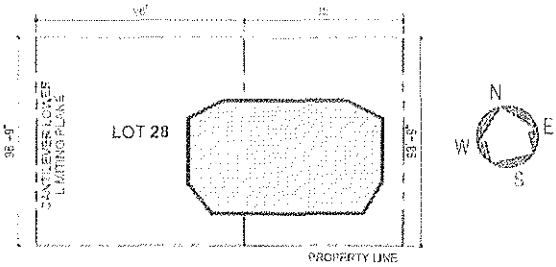
UNIT AREA: 4,660 S.F.




## 58TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

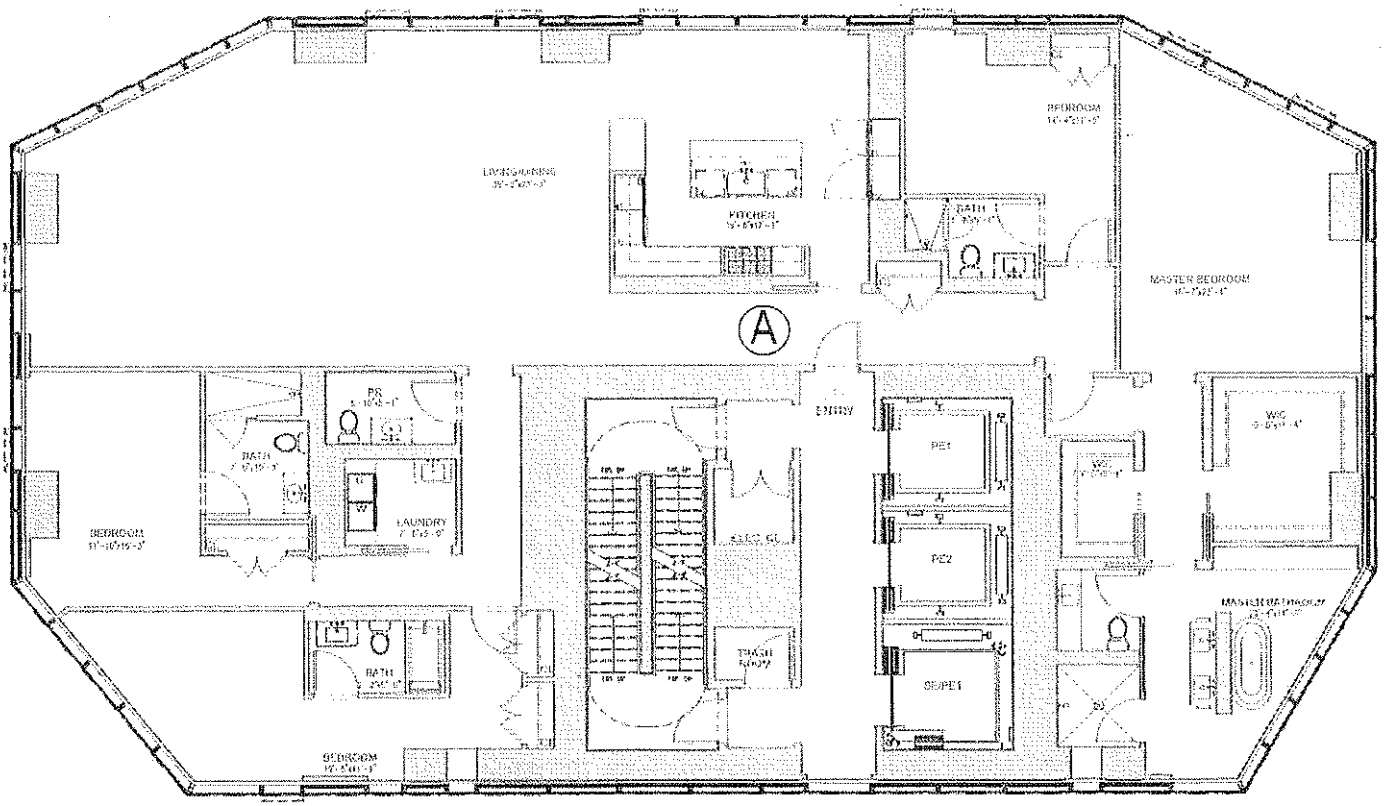
EAST 22ND STREET

2014/07/16

# RESIDENCE 59A

4 BEDROOMS
4 1/2 BATHS

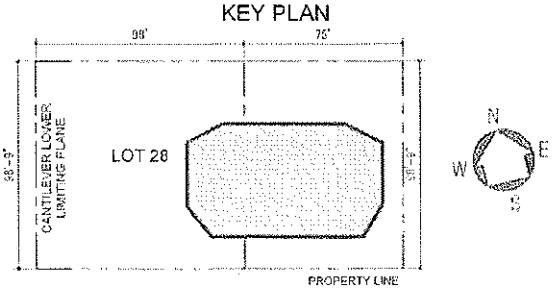
UNIT AREA: 4,662 S.F.




## 59TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

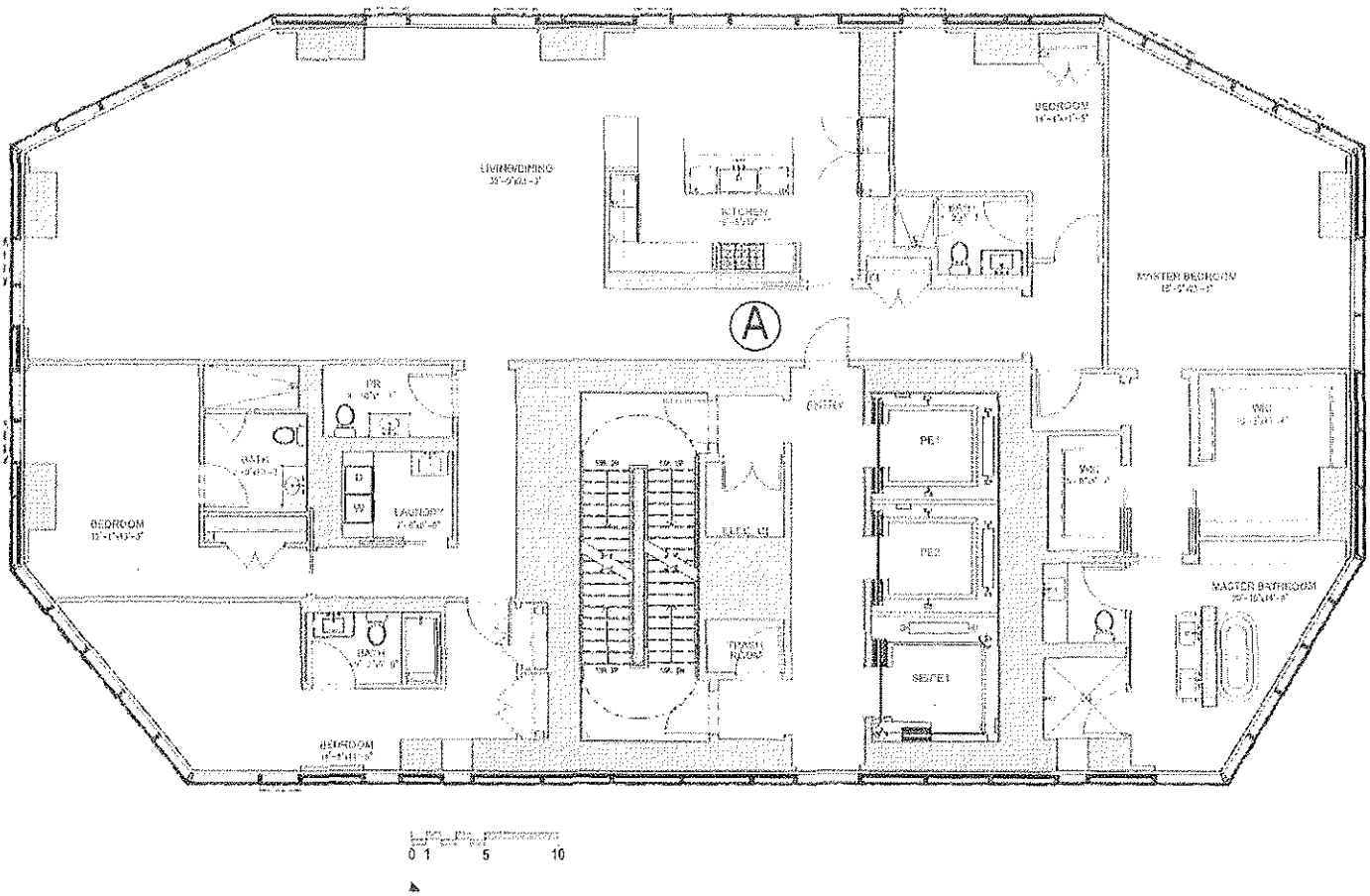
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 60A

4 BEDROOMS
4 1/2 BATHS

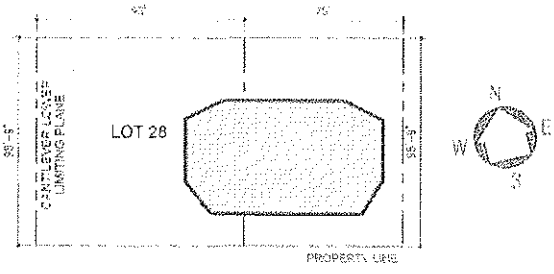
UNIT AREA: 4,664 S.F.




## 60TH FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

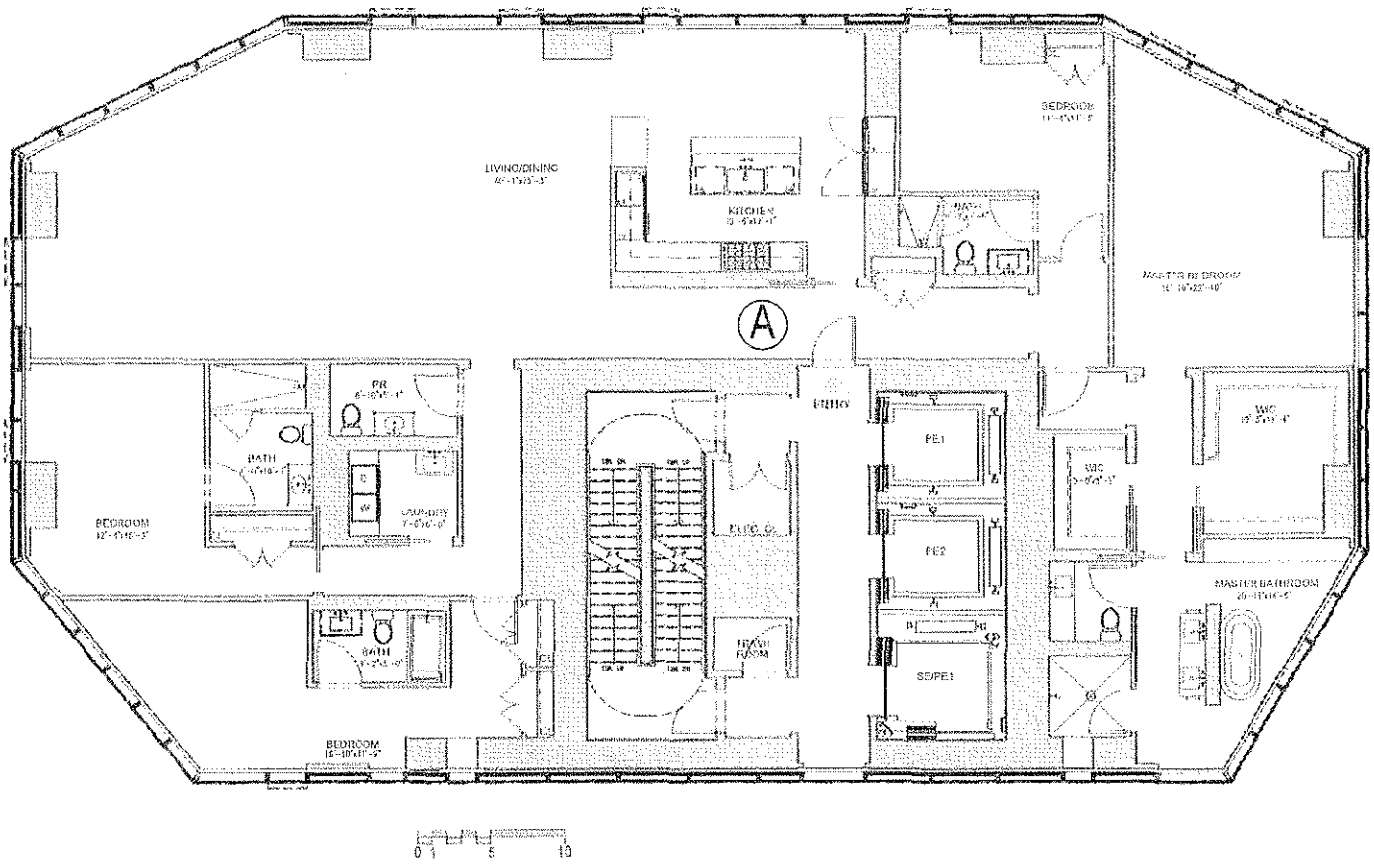
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 61A

4 BEDROOMS
4 1/2 BATHS

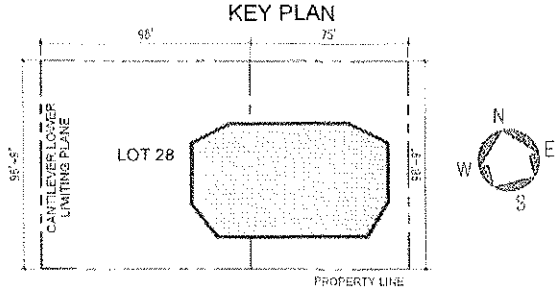
UNIT AREA: 4,664 S.F.




## 61ST FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

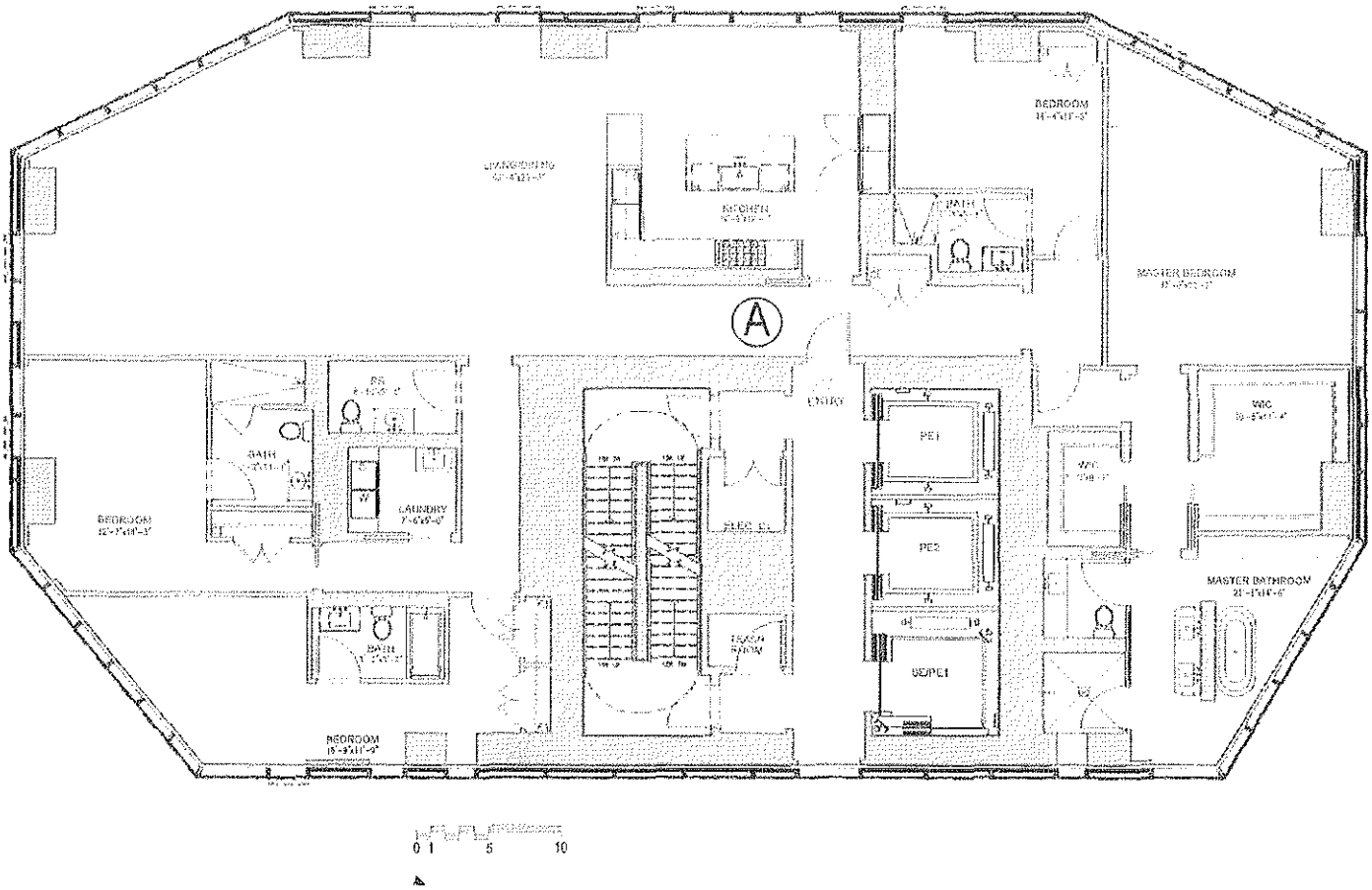
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 62A

4 BEDROOMS
4 1/2 BATHS

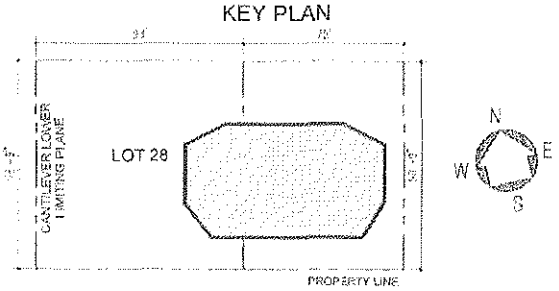
UNIT AREA: 4,663 S.F.




## 62ND FLOOR

COMMON ELEMENT

KEY PLAN




# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

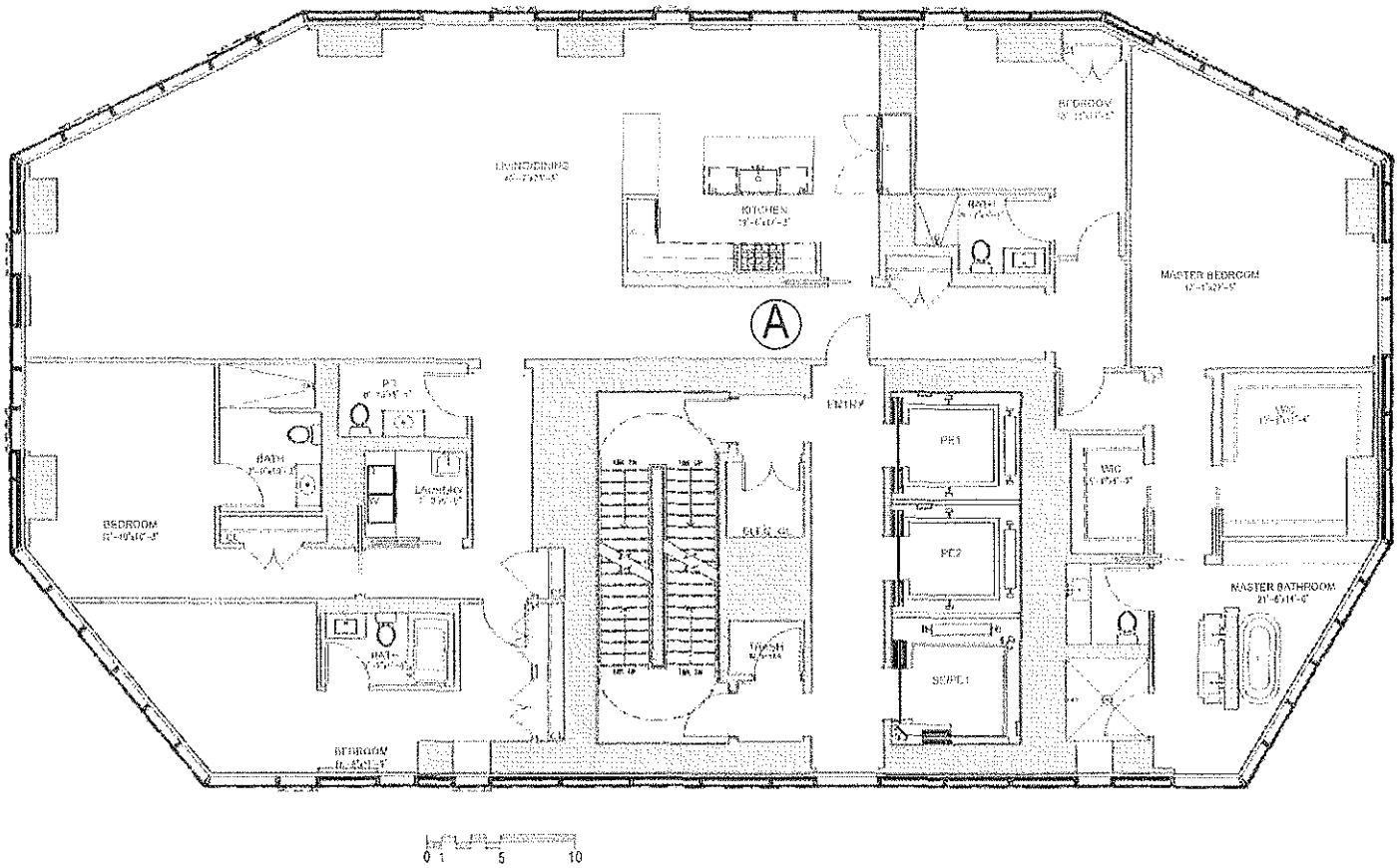
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# RESIDENCE 63A

4 BEDROOMS
4 1/2 BATHS

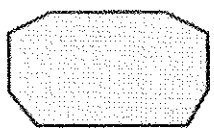
UNIT AREA: 4,663 S.F.




## 63RD FLOOR

COMMON ELEMENT

KEY PLAN







## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

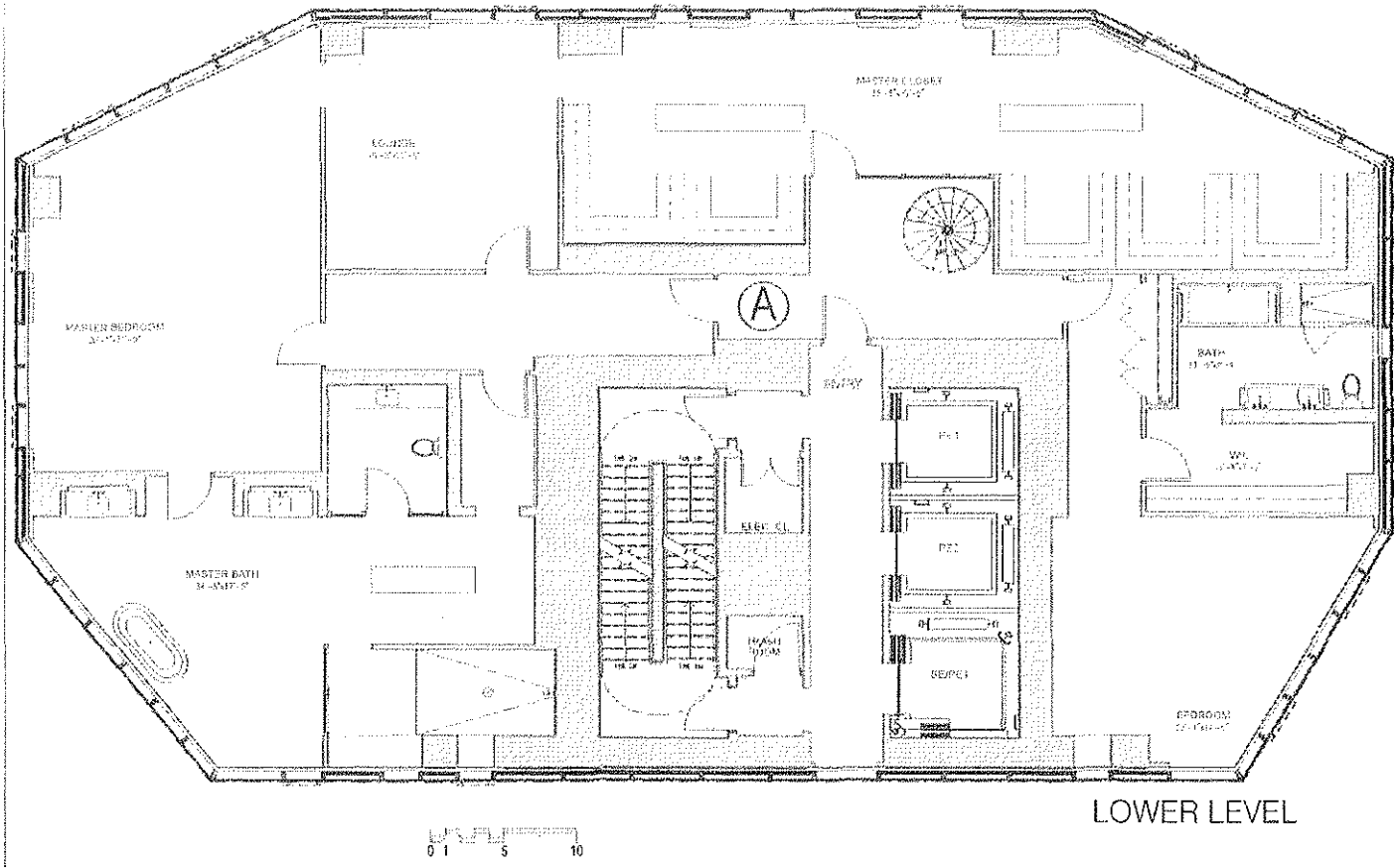
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/05/05

# RESIDENCE PH

2 BEDROOM DUPLEX
2 BATHS

UNIT AREA: 9,322 S.F.




LOWER LEVEL

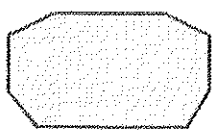
## 64TH FLOOR

COMMON ELEMENT

KEY PLAN

## 45 EAST 22ND STREET

NEW YORK, NY 10010




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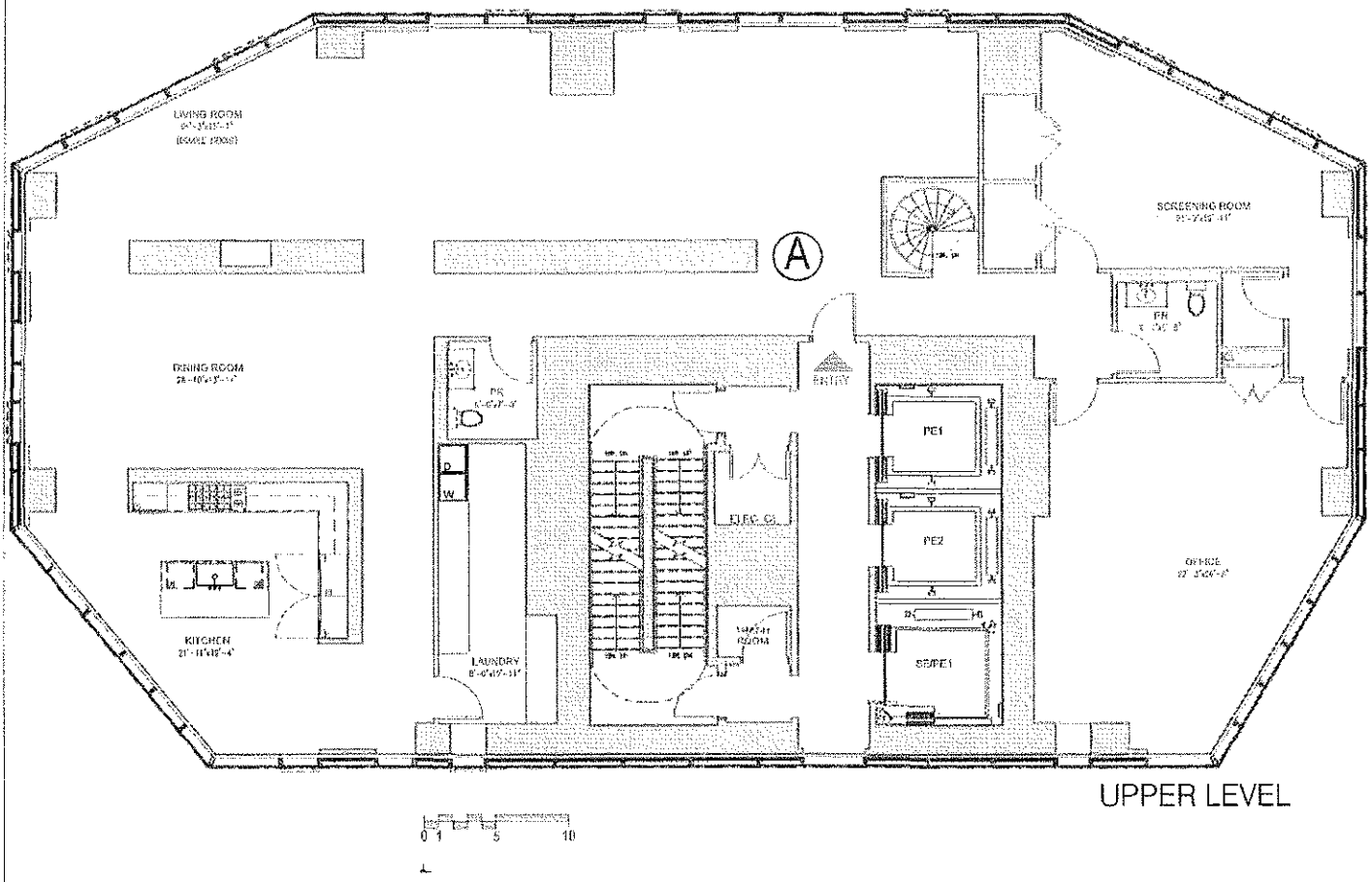
EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/05/05

# RESIDENCE PH

2 BEDROOM DUPLEX
2 BATHS

UNIT INFO ON LOWER LEVEL




UPPER LEVEL

0 1 5 10

## 65TH FLOOR

COMMON ELEMENT

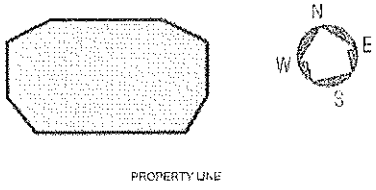
KEY PLAN

## 45 EAST 22ND STREET

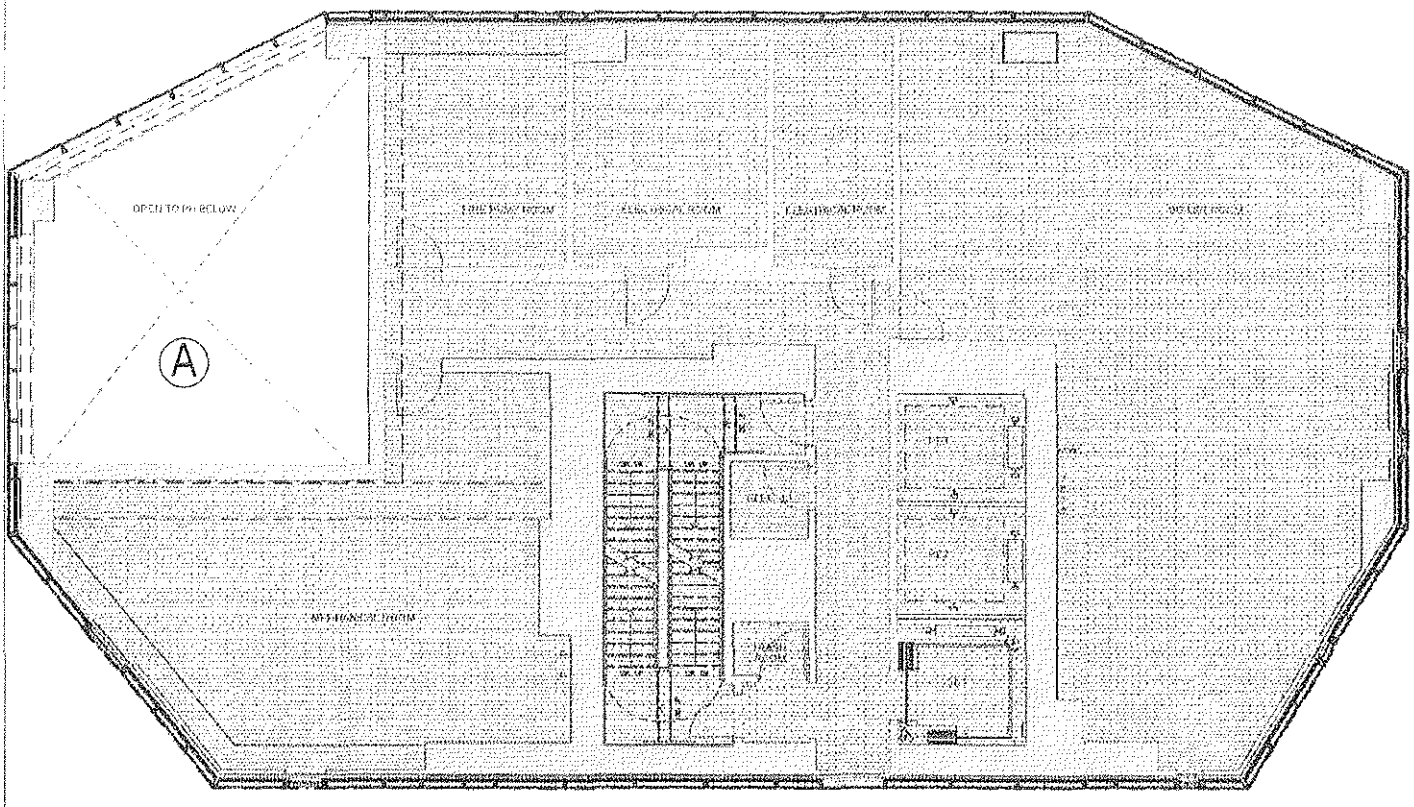
NEW YORK, NY 10010

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EAST 22ND STREET ACQUISITIONS HOLDING LLC




2014/05/05



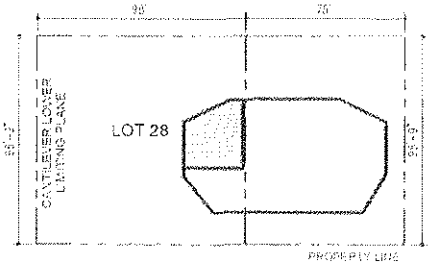




# 66TH FLOOR

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

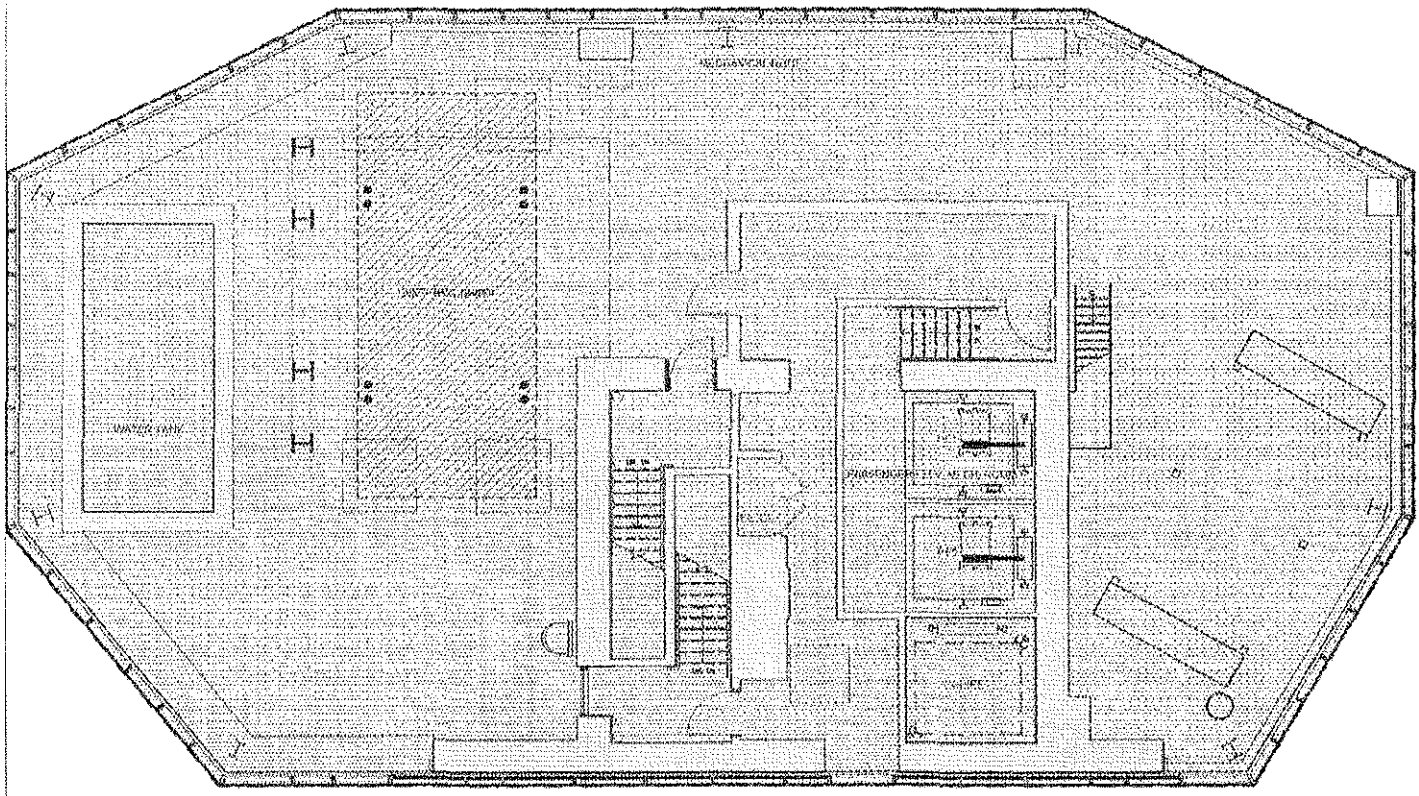
NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

EAST 22ND STREET

2014/07/15

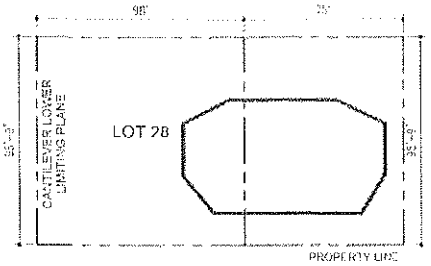


0 1 5 10

# 67TH FLOOR

COMMON ELEMENT

KEY PLAN



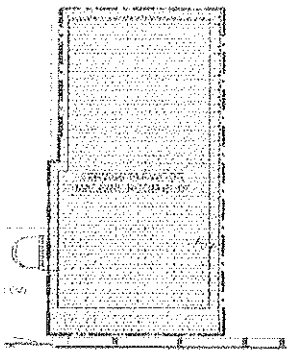

## 45 EAST 22ND STREET

NEW YORK, NY 10010

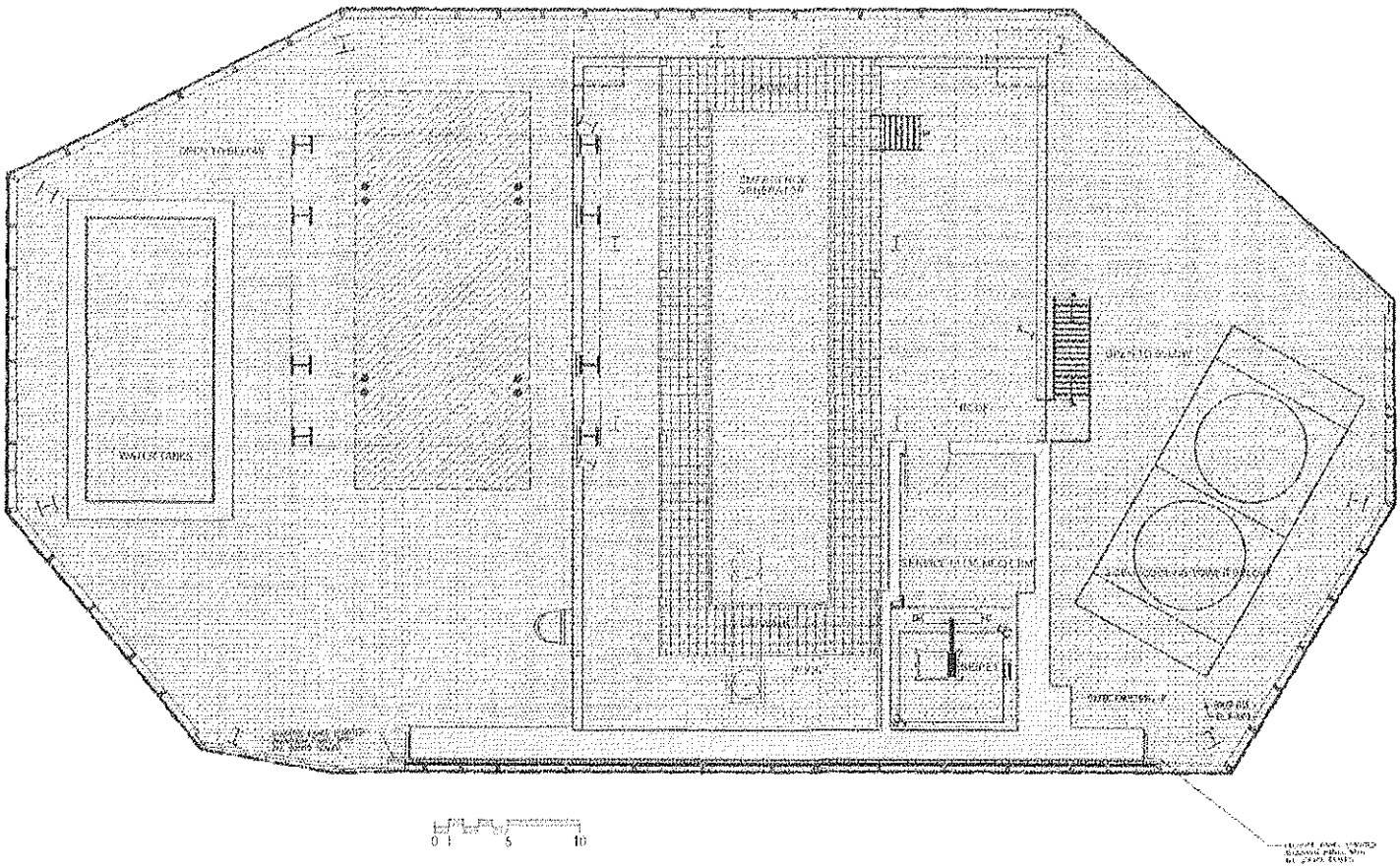
All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/10



ROOF



68TH FLOOR

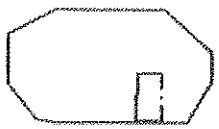
COMMON ELEMENT

KEY PLAN

# 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.



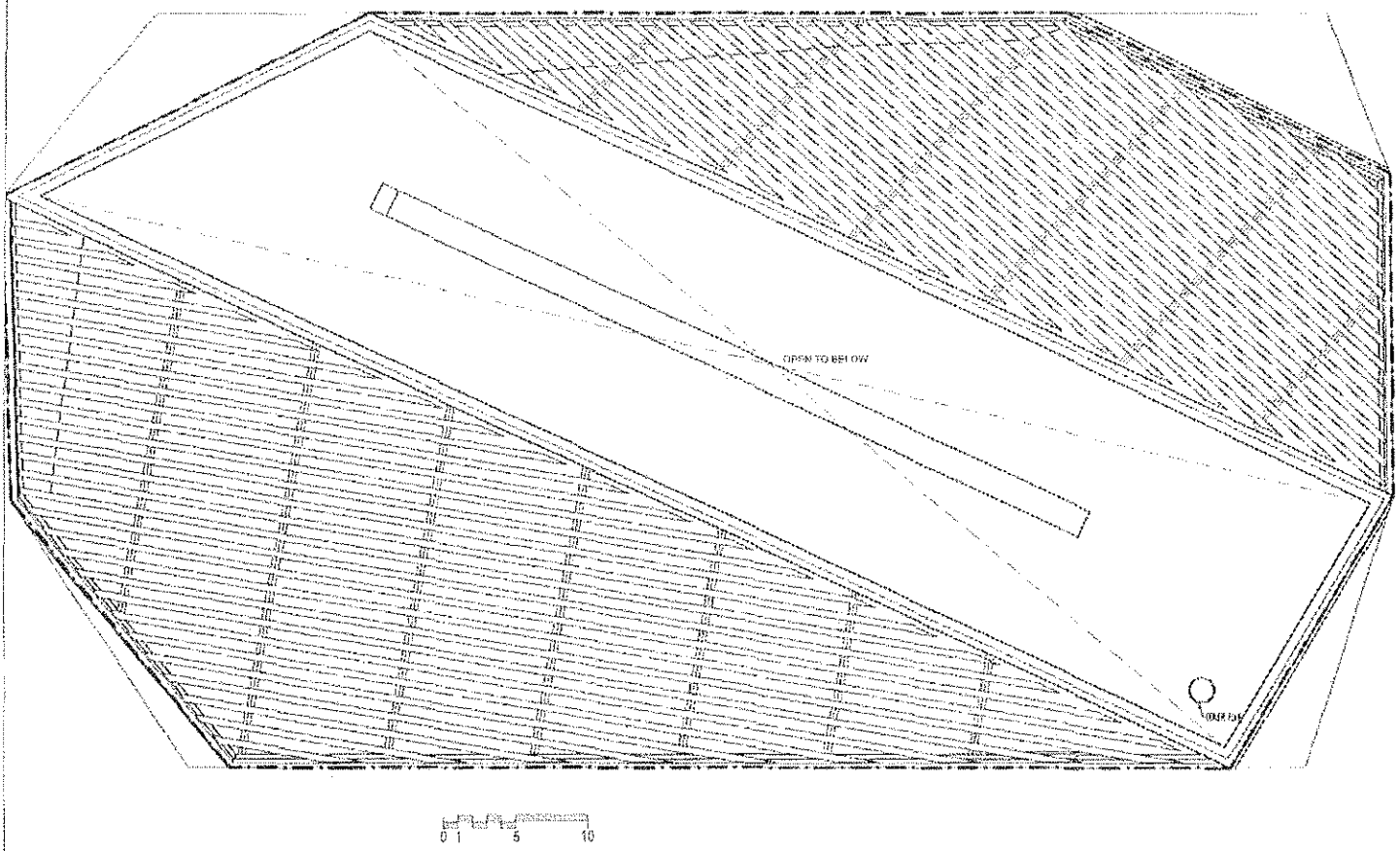



PROPERTY LINE

EAST 22ND STREET

EAST 22ND STREET ACQUISITIONS HOLDING LLC

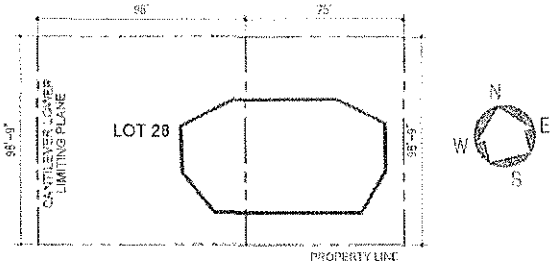
20140/2/10




# CROWN

COMMON ELEMENT

KEY PLAN




## 45 EAST 22ND STREET

NEW YORK, NY 10010

All dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. Sponsor reserves the right to make changes in accordance with the Offering Plan.

EAST 22ND STREET ACQUISITIONS HOLDING LLC

2014/07/16

# EXHIBIT "8"

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# DECLARATION OF CONDOMINIUM

---

CONDOMINIUM NUMBER

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises located at
45 East 22nd Street
New York, New York 10010

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
**45 EAST 22ND STREET CONDOMINIUM**

Declarant:
East 22nd Street Acquisition Holdings, LLC
c/o The Continuum Company LLC
30 West 21st Street
New York, New York 10010

The land affected by the within instrument lies in
Block 851 formerly known as
Base Lots 32, 22, 26 (unit lots 1801 and 1802), 24 (unit lots 1501-151__), 28, 34, and 49
now known as Lots 01-83
on the Tax Map of the Borough of Manhattan, City of New York

Attorneys for Declarant
Holland & Knight LLP
31 West 52nd Street
New York, New York 10019
Attn: Stuart M. Saft, Esq.
(212) 513-3308

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# DECLARATION
# OF
# 45 EAST 22ND STREET CONDOMINIUM

**(Pursuant to Article 9-B of the Real Property Law of the State of New York)**

East 22nd Street Acquisition Holdings, LLC, a Delaware limited liability company, having an office c/o The Continuum Company LLC, 30 West 21st Street, New York, New York 10010 ("Declarant"), does hereby declare as follows:

## ARTICLE 1
## DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

## ARTICLE 2
## SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a Condominium to be known as "45 East 22nd Street Condominium" (the "Condominium').

2.2 Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

2.3 Excluded from the Property are that portion of the unused floor area development rights that are now owned, subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights") which shall be initially retained by Declarant, but which Development Rights may be utilized by Declarant or any party acquiring the same from Declarant (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "Zoning Lot Development Agreement").

2.4 In the event of a conflict between the terms and provision of this Declaration, on the one hand, and the terms and provision of any of the By-Laws, on the other hand, the terms of this Declaration shall in all events govern.

## ARTICLE 3
## THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 7,406 square feet.

## ARTICLE 4
## THE PROPERTY

4.1 Included in the Property described in Article 2 is a building (the "Building") consisting of 83 Units (collectively referred to as the "Units" and each individually, a "Unit"). The Condominium consists of the Units and the Common Elements. The owner of a Unit is herein called a "Unit Owner" and all the owners of the Units are herein collectively called the "Unit Owners".

4.2 From the date hereof until the date on which a Unit is first conveyed or first distributed by Declarant to an unrelated Person, (i) Declarant shall have all the rights and obligations described herein and in the Condominium By-Laws with respect to such Unit as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the Condominium By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

4.3 From the date hereof until the first conveyance of a Unit (the "First Unit Conveyance"), Declarant shall have the rights and obligations described herein and in the Condominium By-Laws as the collective rights and obligations of the Unit Owners and the Condominium Board (the "Condominium Board"); and, until such First Unit Conveyance, all references herein and in the Condominium By-Laws to the Unit Owners shall be deemed to be references to Declarant.

## ARTICLE 5
## THE BUILDING

The Building consists of one mixed-use tower building with 83 Units and the Common Elements. The Building is constructed of reinforced concrete frame with concrete slab floor systems, including reinforced concrete columns, masonry cavity walls and concrete footings. The floors in the Building are named (from bottom to top): Sub-Cellar, Cellar, Floor 1, Floor 1M, Floors 4-5, 11-12, Floors 14 through 68 and Crown. The entrance to the Building and the Garage is on 22nd Street. The Storage Area occupies a portion of Cellar and the First Floor Mezzanine. The Garage occupies a portion of Subcellar, Cellar and the First Floor.

## ARTICLE 6
## THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; floor

designation; tax lot number; approximate square foot area; and the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Buildings (the "Floor Plans") certified by Goldstein Hill & West Architects, LLP, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other doors to such Unit, smoke detectors, all windows (including, without limitation, their panes, casements and frames) to such Unit, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and any other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 Each Units include all related Facilities exclusively serving the Unit.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

## ARTICLE 7
## DIMENSIONS OF UNITS

7.1 The approximate floor area of each Unit, exclusive of floors 55-66, has been measured horizontally, on each of one or more floors, from the exterior side of the exterior Building walls (curtain wall), the Building Line or Property Line to the midpoint of an interior partition separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element or to the common side of a continuous structural element separating one Unit from public corridor, stairs, elevators, mechanical equipment spaces

or any other Common Element. The approximate floor area of each Residential Unit on floors 55-66, has been measured horizontally, on each of one or more floors, from the exterior side of the curtain wall to the exterior side of the curtain wall. Columns and mechanical pipes and shafts, or any other common element (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

7.2 Measured vertically, each Unit consists of the volume from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the floor slab above.

## ARTICLE 8
## COMMON ELEMENTS

8.1.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements. The Common Elements are for the common use of all Unit Owners.

8.1.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box. The word "Facility" or "Facilities" does not include any portion of the Building that is specifically listed as a Unit or a Common Element.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.3 The Common Elements consist of the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, together with the exterior walls of the Building.

8.3.3 The electric switch gear room, fire pump room, water and steam room, duplex pumps, gas meter room and surrounding corridors located in the Cellar, as shown on the Floor Plans.

8.3.4 The Garage ramp and any covering over the ramp in the Garage.

8.3.5 The rooms and Facilities as follows: water meter room, water storage tank and service pump, mechanical room and any related Facilities located on the Roof.

8.3.6 Elevator machine room, cooling tower, water tanks and exit stairs located on the Bulkhead Roof.

8.3.7 Any of the following: Fire pump, ejector pump, manual and automatic fire pump system, manual fire pump controller, steam equipment service, sump pump and sewer ejector.

8.3.8 The mechanical/electrical/plumbing room, mechanical/utility/electrical room, pump room, chiller room, fuel oil tank room, telecom closet, gas meter room, water pump room and the electrical, telecom, or electrical/telecom closets if any on any floor.

8.3.9 Water service and house pumps located below grade level, combined house sewer line, sanitary house drain which connects the combined house sewer line to sanitary house drains, storm house drain which connection combines the house sewer line to storm leaders, house trap and vent pipe which serve the sanitary system and running trap which serves the storm drain system.

8.3.10 Fire standpipe Siamese connections and Riser control valve for common fire standpipe riser.

8.3.11 The lighting equipment which illuminates the exterior portions of all entrances to the Building.

8.3.12 The sprinkler system.

8.3.13 Zone control valves for the fire standpipe riser rising from the ground floor to the house tank on the Roof of the Building, and common fire alarm riser.

8.3.14 The Main Roof and the mechanical room located thereon and the and Bulkhead Roof and the smoke purge fans and other equipment located thereon as shown on the Floor Plans.

8.3.15 House tank which supplies the domestic water system and fire standpipe in the Building.

8.3.16 Exhaust systems including the exhaust fan, ductwork and intake and discharge connections if not part of a Unit.

8.3.17 Heating, ventilation and air conditioning supply system consisting of motors, ductwork, fans and controls serving the below grade level and steam and condensate return piping.

8.3.18 Gas piping for domestic hot water heater serving Units.

8.3.19 The sloshing damper and its related facilities in the damper room, if any.

8.3.20 Fire stairs as shown on the Floor Plans.

8.3.21 Electric meters and panels, electric closets, feeders, risers and Facilities, gas meter and direct burial telephone cables.

8.3.22 Kitchen, bathroom and dryer exhaust ducts, corridor and Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings.

8.3.23 The rooms and Facilities located as follows: gas meter room, storage rooms, residential refuse rooms on each floor servicing the Units and compactor room; the passenger elevators and their shafts, pits, machine rooms and Facilities.

8.3.24 All passages, elevators, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Units, including their concrete floor slabs and ceilings.

8.3.25 Elevators, shafts and related equipment and surrounding lobbies, service halls and corridors.

8.3.26 All doors, excluding (a) doors opening from common corridors and providing entrance to Units, (b) interior doors in the Units, and (c) doors in a Unit (the excluded doors being considered part of the Unit).

8.3.27 The compactor room, super's office, unisex toilet, staff lounge, Storage Area, laundry room and Garage.

8.3.28 The lobby and its stairs, the concierge, service entry, cart room, mail room, cold storage room, move-in holding area, trash and recycling area, receiving area and surrounding corridors located on the First Floor.

8.3.29 The residential lounge, stairs and telephone closet located on the Second Floor.

8.3.30 The stairways as depicted on the Floor Plans.

8.3.31 The bicycle storage rooms located in the Subcellar.

8.3.32 The telecommunications closets located on Floors 8, 12, 17, 21, 26, 30, 36, 41, 45, 50, 54 and 57, and the main telecommunications room on the 4th Floor.

8.3.33 The electric closets located in the Subcellar, the Cellar, and Floors 4, 5, 7, 15, 20, 29, 32, 33, 34, 42, 48, 56, and 60.

8.3.34 The alarm closets located on Floors 4, 7, 10, 13, 16, 19, 22, 25, 28, 31, 34, 37, 40, 43, 46, 49, 52, 55 and 58.

8.3.35 The mechanical room, lounge, open kitchen, catering kitchen, leisure room, trash holding room, passage and storage room and other residential amenities located on the 47th Floor.

8.3.36 Window glass which is not part of a Unit.

8.3.37 All passages and corridors, mechanical and other rooms, areas and indoor and outdoor spaces located at the Property which are not part of any Unit.

8.3.38 All other Facilities of the Property (including but not limited to shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Building.

8.3.39 The Emergency generator and Emergency generator room.

8.3.40 Air conditioning system for the elevator machine room on the Roof including fan, motor, ductwork and controls.

8.3.41 Notwithstanding anything to the contrary in this Article 8, if a Common Element benefits only one or certain Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Unit Owner(s) who benefit from the Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interests of all benefiting Unit Owners. In addition, except as otherwise provided in the By-Laws, such Unit Owners shall be responsible for the normal operation, maintenance and repair of any such Common Element, at their sole cost and expense.

## ARTICLE 9
## USE OF BUILDING AND UNITS

9.1 Use of Units.

9.1.1 As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Laws expressly provided, Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation, as defined in the Zoning Resolution. Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Units may only be occupied by (i) any individual who

is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Units may only be leased in accordance with the By-Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, entity, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s).

9.1.2 Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Unit as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject to compliance with applicable Laws. As used in the Condominium Documents, "Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or any of their respective designees as the holder of one or more Unsold Unit(s); any Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage; (b) any Unit for which there is a signed Purchase Agreement but for which Closing has not yet occurred. An Unsold Unit remains an Unsold Unit until it is sold to a Purchaser for occupancy by the Unit Owner for occupancy by the Unit Owner, a member of his or her family, an employee or an affiliate.

9.2 Except as otherwise provided in the By-Laws, the Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

(a) Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or

anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

(b) No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

9.3 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may without the permission of the Board, (1) grant permission for the use of any Unsold Units owned by it for any purpose, provided such use is permitted by law, and does not violate the then existing certificate of occupancy for such Unit or any other governmental regulations and (2) use any Unsold Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations.

9.4 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All applicable Laws relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owner(s) or Board(s) shall have the obligation pursuant to the Declaration and the By-Laws to maintain or repair such portion of the Property.

9.5 Storage Bins and Storage Closets may be used only for the storage of personal effects of Unit Owners, and in no event shall any food or other perishable item, or any flammable or explosive item which would pose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored in a Storage Bin or Storage Closet. Except for Declarant, a license for a Storage Bin or Storage Closet may not be owned unless a Unit Owner also owns a Unit.

9.6 Parking Spaces may be used only for storage of a motor vehicle. Nothing contained in the vehicle may pose a health or safety threat or otherwise create a nuisance may be stored therein, and further provided that Declarant shall have the right to use any unsold Parking Space for any lawful purpose or to change the permitted use of any unsold Parking Space, subject, however, to the provisions of the By-Laws. Except for Declarant, no Unit Owner may own a Parking Space independently of a Unit.

## ARTICLE 10
## CHANGES IN THE UNITS

10.1 Except to the extent prohibited by law, Declarant or its designee shall have the right, without the vote or consent of the Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units;

(b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element, or altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) designate a Common Element as part of a newly created Unit, or designate all or part of a Unit as a newly created Unit or Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or its designee, as the case may be, shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee. By written permission of the Board, which permission shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his or her Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units.

10.2 Subject to this Declaration (including, without limitation, Section 10.4 below) and the By-Laws, the Unit Owner(s) of one or more Units (other than Unsold Units), with the express written consent of the Board, which consent may be granted or withheld for any reason in the Board's sole discretion, any other Unit Owner may be given, with respect to its Unit(s), the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units, including, without limitation, the right to change, combine, subdivide and/or otherwise reconfigure two (2) or more adjacent Units owned by such Unit Owner.

10.3 Subject to the immediately succeeding sentence, the provisions of Sections 10.1, 10.3 and 10.4 of this Declaration may not be added to, amended, modified or deleted without the prior written consent of Sponsor any other owner of an Unsold Unit. Wherever the consent, approval or satisfaction of Sponsor (as the owner of any Unsold Unit(s)) or the owner of any Unsold Unit(s) is required under this Declaration or the By-Laws, such consent, approval or satisfaction of such party shall not be required when such party no longer owns any Unsold Units.

10.4 Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating, in each case with respect to the Unit(s) in question that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in compliance with the terms of Section 339-i(1) of the Condominium Act. The certification referred to herein shall be delivered: (a) in the case of any Unsold Unit(s), at the election of Sponsor, by Sponsor, the managing agent of the Condominium or any other Person

reasonably acceptable to the Board; and (b) in the case of any other Unit(s) by the managing agent of the Condominium or any other person reasonably acceptable to the Board.

## ARTICLE 11
## GOVERNANCE

11.1 The affairs of the Condominium shall be governed and controlled by a Condominium Board, as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Condominium Board, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

11.2 Notwithstanding anything to the contrary in the Condominium Documents, and to the extent permitted under applicable law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), or owns some of the Units in the Condominium (either beneficially or in fee) and controls the Owner of the remaining Unit(s) in the Condominium, such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable law requires that there be a Condominium Board established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns. As such, a Unit Owner may and shall maintain separate accounting records, including, without limitation, separate profit and loss statements, for each Unit it owns.

## ARTICLE 12
## SERVICE OF PROCESS

12.1 The Secretary of State of the State of New York is hereby designated to receive service of process at One Commerce Place, 99 Washington Avenue, Albany, New York 12231 in any action which may be brought against the Condominium. The Secretary of State shall be directed to mail a copy of any process served to the Condominium Board at 45 East 22nd Street, New York, New York 10010.

## ARTICLE 13
## DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 The percentage of interest in the Common Elements applicable to each Unit, as shown on Schedule C, was determined pursuant to Section 339-i(1)(iv) of the Condominium Act, and is based upon floor space, subject to the location of such space and 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 a particular Unit. The aggregate Common Interest for all Units is 100%.

## ARTICLE 14
## ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

## ARTICLE 15
## ACCESS TO COMMON ELEMENTS

15.1 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 his or her Unit including an easement to connect to existing utilities including, but not limited to utilities for gas, electricity, steam and ventilation. Each Unit 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. In addition, the Condominium Board or their agents, to the extent the Board is permitted to act by the By-Laws for such purposes, shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. All easements and rights of access described in this Article 15 shall be exercised in such a manner as will not unreasonably interfere with the normal use of the Units for their permitted purposes. Such entries shall be permitted on not less than one day's 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).

15.2 The Declarant or any of its affiliates or designees and their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the property for ingress to and egress from all land areas of the Property and the use thereof (in common with Unit Owners) for construction or renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements, and repairs in or about Units owned by the Declarant or its designees and for any other lawful purpose provided (i) Declarant or such other party repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry, (ii) Declarant or such other party provides reasonable prior notice to

the owners of the Unit to which access is required or the Board in the case of the Common Elements, and (iii) the work will not unreasonably interfere with the other Units.

## ARTICLE 16
## EASEMENTS AND NAME OF CONDOMINIUM

16.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the Common Elements.

16.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of any Common Element.

16.3 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units, the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

16.4 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.5 Declarant or its designee and its successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property (other than on the exterior walls of the Building surrounding Units not owned by the party erecting the sign) for the purposes of advertising the sale or lease of any Unsold Unit.

16.6 Declarant, for so long as it shall own any Unsold Unit, and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, ventilation, 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 Declarant 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 owners, tenants and occupants of the appropriate Units, or to complete the Building pursuant to the Plan, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units 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 use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the 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 effected.

16.7 Declarant shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes and similar equipment on the Roof of the Building and the conduit and other Facilities relating thereto, other than those portions of the Roof which constitute Common Elements, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easement shall be exercised in a manner as will not unreasonably interfere with the with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an Emergency.

16.8 The Condominium and the Building shall be designated and known as "45 East 22nd Street Condominium". For so long as Declarant owns any Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and/or the Building.

16.9 Declarant and its contractors, employees and agents for so long as Declarant shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units.

16.10 All easements and rights of access described in this Article shall be exercised by the party or parties entitled to exercise such easements or rights of access (the "Exercising Party") in such manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes, and each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for reasonable actual out-of-pocket costs to repair damage (but not consequential damage) incurred by said Unit Owner (the "Impacted Owner") to repair the Impacted Owner's Unit and any additional security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access hereunder (the "Access Costs"). All entries made pursuant to the easements granted in this Article shall be permitted on reasonable notice, but in no less event than five (5) business days' notice to the Unit Owner, 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) in which event, the Exercising Party shall give such notice (which may be verbal) as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights at equity and at law. To the extent the Condominium Board is responsible for any costs and expenses, including, without limitation, under this Article, such costs shall be allocated to the Unit Owners as Common Expenses. Notwithstanding the foregoing, if the exercise of the easements and rights of access described in this Section is required in order to remove or cure a violation or to cure a default hereunder or under the Declaration caused by the Impacted Owner or any rules and regulations adopted by the

Condominium Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, such Unit Owner shall be responsible for all costs and expenses in connection with such exercise and access and any work performed in connection therewith, all of which shall be Unit Owner Expenses and the Unit Owner shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Condominium Board as to the nature, scope or interpretation of the costs contained in this Article shall be resolved by Arbitration.

16.11 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.

## ARTICLE 17
## POWER OF ATTORNEY TO THE BOARD

17.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests, whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Units so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the entire Building or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Common Elements which the Board deems necessary or appropriate.

17.2 In addition, each Unit Owner shall grant to Declarant and its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant and/or its designees deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

17.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to the Declarant under the

Declaration and By-Laws and the Plan including the power to execute the Required Documentation.

## ARTICLE 18
## ACQUISITION OF UNITS BY THE CONDOMINIUM

18.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements, appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

18.2 The Board shall have the authority to purchase, on behalf of all Unit Owners, a Unit to be used as the residence of the superintendent (the "Resident Manager") and, in such event, title to all or any such portion of the Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests (the "Resident Manager's Unit"). The Board shall have the authority to borrow money and/or place a mortgage on the Resident Manager's Unit.

## ARTICLE 19
## COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article 19, 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 his or her 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 this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and

taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

## ARTICLE 20
## AMENDMENTS OF DECLARATION

20.1 Subject to the provisions contained herein with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, and any rights of the mortgage holders any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Law. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the foregoing provisions of this Section 20.1 and the rights of Declarant or its designee, Articles 8 and 9 of this Declaration may not be amended, modified, added to or deleted unless 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.

20.2 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage Common Interests are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Board or the Unit Owners. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board to reflect the changes made by the Unit Owner, all without the approval of the Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 The provisions of 20.1 and 20.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee,

20.4 Notwithstanding anything to the contrary contained in Article 20 above:

20.4.1 No amendment shall be adopted which would: (i) unreasonably interfere with the sale, lease or other disposition of an Unsold Unit; (iii) abridge, modify, suspend, eliminate or otherwise adversely effect any right, power, easement, privilege or benefit reserved to the Declarant or its designee (as owner of a Unit); or (iii) impose any discriminatory charge or fee against the Declarant or its designee, and no such amendment shall be effective against the Declarant or such designee or their Units, unless the Declarant or such designee shall, in each instance, consent thereto, by joining in the execution of such amendment;

20.4.2 No amendment shall be adopted which would change the permitted use of any Unit or such Unit's Common Interest and no such amendment shall be effective against such Unit or such Unit Owner, unless the Unit Owner of such affected Unit shall consent thereto by joining in the execution of such amendment.

20.5 The Declarant shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Board or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at the Declarant's sole option, to require the Board or any

other Unit Owners to execute, acknowledge and record) in the City Register's Office and elsewhere, if required by applicable law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such other documents, plans and maps the Declarant deems appropriate: (a) to reflect any change in the Unsold Units and/or the reapportionment of the respective Common Interests of the affected Units resulting therefrom made by the Declarant in accordance with the terms of Article 10 hereof and to file any amended Floor Plans required by the New York Real Property Law Section 339-p in connection therewith and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p of the Condominium Act; or (b) if required by (i) an institutional lender designated by the Declarant to make a loan secured by a mortgage on any Unsold Unit, (ii) any governmental agency having regulatory jurisdiction over the Condominium or (iii) any title insurance company selected by the Declarant to insure title to any Unit; *provided, however*, that any amendment made pursuant to the terms of this Section 20.5 shall not (x) change the Common Interest of any Unit other than a Unit owned by the Declarant or (y) require a material, physical modification of any Unit other than a Unit owned by the Declarant, unless the Unit Owner of such affected Unit consents thereto by joining in the execution of such amendment, or (z) adversely effect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender unless the holder of such mortgage consents thereto by joining in the execution of such amendment. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office.

20.6 In addition, a copy of this Declaration and the By-Laws and any amendments thereto shall be filed with the New York State Department of State. Any amendment to this Declaration may be executed: (a) if on behalf of the Declarant, only by a person authorized by, or having authority to act on behalf of the Declarant; or (b) if on behalf of the Unit Owners, by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium Board. If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which certification 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. Any person authorized to sign, acknowledge and record an amendment to this Declaration is also authorized to cause to be properly certified and filed and/or recorded with the tax assessor (and other governmental authority having jurisdiction) and in the City Register's Office any appropriate amendments to the Floor Plans whenever required in connection with such amendment to this Declaration (such as in the case of an amendment to this Declaration to reflect a Unit subdivision or Unit combination pursuant to Articles 10 or 11). A conformed copy of any amendment to the Condominium Documents shall be filed promptly with the Secretary or Assistant Secretary of the Condominium or the Condominium's managing agent by the applicable person recording the amendment and shall be made available by the Condominium Board at the Property or the office of the managing agent for inspection (without charge) and copying (at a reasonable charge) by all Unit Owners, Mortgage Representatives, if any, and authorized representatives of each of the foregoing. Each person

authorized to sign an amendment to this Declaration shall be deemed to execute such amendment as attorney-in-fact for the Unit Owners, coupled with an interest and granted for valuable consideration for such purpose.

## ARTICLE 21
## TERMINATION OF CONDOMINIUM

21.1 The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Units, provided that in no event shall Declarant's consent be required more than five years after the First Unit Conveyance pursuant to the Plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share of such net proceeds all liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

## ARTICLE 22
## WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

## ARTICLE 23
## CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

## ARTICLE 24
## CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

24.4 When used in this Declaration or the By-Laws, the terms "now," the "date hereof" or the "date of this Declaration" shall mean the date on which this Declaration is filed in the Office of the New York City Register, New York County. The term "hereafter" when used in this Declaration or the By-Laws shall mean after the date on which this Declaration is filed in the Office of the New York City Register, New York County.

24.5 Whenever in the Declaration or the By-Laws the term "including" is used, it shall be deemed to mean "including, without limitation," whether or not so stated.

24.6 Wherever there is a requirement in the Declaration or the By-Laws that a consent or approval of a party hereto not be "unreasonably withheld" or words of similar import, such terms shall be construed as if followed by the phase "conditioned or delayed" whether or not so stated.

24.7 The term "laws" and/or "regulations of governmental authorities" and words of like import shall mean the laws, statutes, treaties, rules, codes, ordinances, regulations of any or all of the federal, state, city, county and local governments and rules, regulations, orders and/or 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 Condominium, the Property or any part thereof, including Common Elements and the Units, and/or the direction of any public officer pursuant to any such laws, and, to the extent a Unit Owner and/or the Board, the Property or any part thereof, including any Unit of any part of the Common Elements, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any such governmental authorities.

24.8 The term "requirements of insurance bodies" and words of like import shall mean rules, regulations, orders and other requirements of the New York Board of Fire Underwriters and/or the New York Fire Insurance Rating organization and/or any other body performing the same or similar functions and having jurisdiction or cognizance of the Condominium and/or the Property or any part thereof, including any Unit or any part of the Common Elements.

24.9 All references to the "By-Laws" in this Declaration shall include the Rules and Regulations promulgated thereunder, unless the context otherwise requires.

## ARTICLE 25
## SEVERABILITY

Subject to the provisions of 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

## ARTICLE 26
## COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction (a "Required Action").

26.2 A Unit Owner, or any other party which is subject to the terms of this Declaration, must within ten (10) business days after its receipt of written request therefor, (a) take a Required Action or (b) object to taking a Required Action. In the event any Unit Owner or any other party does not take the Required Action or does not object to same within the aforementioned ten (10) business days then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party. Any objection by a Unit Owner as to whether or not a request pursuant to this Section 26.2 involves a "Required Action" shall be resolved by Arbitration. In the event the arbitrator determines that the action in question is a Required Action, then, the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

26.3 Each Unit Owner shall have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid inflicting a deleterious effect upon the other Units, the Common Elements, or the Building. In the event any Unit Owner fails to make any payments required under the terms of this Declaration and the By-Laws or causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, the Common Elements or the Building (the "Defaulting Unit Owner"), the Condominium Board shall give written notice to the Defaulting Unit Owner and to any Recognized Mortgagee in accordance with Article 7 of the By-Laws, including a request that the Defaulting Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Defaulting Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven (7) days, fails to commence

appropriate remedies, the Condominium Board may, upon ten (10) business days (or such shorter time that the Condominium Board reasonably determines is necessary to prevent irreparable damage in the event of an Emergency, including no notice) additional notice to the Defaulting Unit Owner, enter into the Unit and effect a reasonable remedy, at the Defaulting Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Condominium Board send a Remedy Notice. If the Condominium Board fails or otherwise determines not to send the Remedy Notice, the Unit Owner shall have all rights to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith. Any such costs or expenses expended by the Condominium Board or a Unit Owner as aforesaid shall be deemed Unit Owner Expenses as to which the Condominium Board will have the lien rights more particularly set forth in the By-Laws. Each Unit Owner and the Condominium Board shall indemnify, defend and hold harmless the other Unit Owners, Permitted Users and the Condominium Board (collectively, the "Indemnitees") from the gross negligence or willful misconduct of, or violations of the terms and conditions of the Declaration or the By-Laws by such Unit Owner or Condominium Board, however applicable, including, but not limited to, reasonable legal fees.

26.4 Notwithstanding anything to the contrary set forth herein, to the maximum extent permitted by law, Declarant specifically disclaims all implied warranties of fitness for a particular purpose, merchantability and habitability, and all other implied or express warranties of any kind or character. To the extent any such additional warranties are imposed by statute and cannot be disclaimed, such warranties shall apply. However, to the extent such warranties can be disclaimed by law, including implied or express warranties of any kind or character, the same are specifically disclaimed. Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, light quality, sound and/or odor transmission, furnishing and equipping of the Condominium, the existence of molds, mildews, spores, fungi and/or other toxins within the Condominium, to the extent applicable and to the extent that same have not expired by their terms. Declarant has not given and no Board has relied on or bargained for any such warranties. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty or otherwise).

## ARTICLE 27
## SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant and/or its designee shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

## ARTICLE 28
## COVENANTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

## ARTICLE 29
## INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

**[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, 20___.

EAST 22ND STREET ACQUISITION HOLDINGS, LLC

By: _____
Name:
Title:

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the ___ day of ____ in the year 20__, before me, the undersigned personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

# EXHIBIT A

# LEGAL DESCRIPTION

## EXHIBIT B

## DESCRIPTION OF THE UNITS

| Unit Designation | Unit Approximate Size in Square Feet | Terrace Approximate Size in Square Feet | Tax Lot Number | Common Interest (%) | Location in Building | Common Elements to which Unit has access |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| **TOTAL:** | | | | **100.0000** | | |

# EXHIBIT C

## DEFINITIONS

"Access Costs" shall have the meaning ascribed thereto in Section 16.10 of the Declaration.

"Adversely effect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Owners, that such action or change could, if realized, (i) materially increase the Common Charges payable by such Unit Owner or Owners, (ii) materially interfere with such Unit Owner's access to its Unit or Units, (iii) materially obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of its Unit or Units.

"Alteration" shall have the meaning ascribed thereto in Section 6.14 of the By-Laws.

"Annual Budget" shall have the meaning ascribed thereto in Section 6.1.3 of the By-Laws.

"Appurtenant Interest" refers to, with respect to a Unit, the proportionate undivided interest of the owner thereof, pursuant to the terms of Section 339-i of the Condominium Act, in and to: (i) the Common Elements; (ii) any Unit owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise; (iii) any proceeds of the sale or lease of the Unit of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Arbitration" refers to the process described in Article 11 of the By-Laws.

"Architect" shall have the meaning ascribed thereto in Section 6.3.1.2 of the By-Laws.

"Architect Taking Allocation Ratio" shall have the meaning ascribed thereto in Section 9.8 of the By-Laws.

"Award" shall have the meaning set forth in Section 9.1 of the By-Laws.

"Board" refers to the Condominium Board.

"Budget" refers to the Annual Budget, Capital Budget, or any other budget prepared in accordance with the By-Laws, as applicable.

"Building" refers to the structures and improvements including above and below grade segments, known as 45 East 22nd Street, New York, New York in which the Units of the Condominiums are located.

"Building System" refers to any of the systems in the Building providing heat, sprinkler, water, electric, steam, gas, sewer and fire protection or similar services serving more than one Unit or the Common Elements.

"By-Laws" or "Condominium By-Laws" refers to the By-Laws governing the operations of the Condominium.

"Capital Budget" shall have the meaning ascribed thereto in Section 6.1.3 of the By-Laws.

"Cellar" refers to the floor marked as Cellar on the Floor Plans.

"Certifying Professional" shall mean an architect (other than the Architect) or a licensed professional engineer or engineering or consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years, approved by the Board.

"City" refers to the City of New York.

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

"Closing" refers to the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refer to the assessments payable to the Condominium Board for the purpose of meeting the Common Expenses.

"Common Elements" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Common Element Work" shall have the meaning ascribed in Section 6.11.1 of the By-Laws.

"Common Expenses" refer to the costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner's (a) voting power, and (b) share of any distributions upon termination of the Condominium.

"Condemnation Estimate" shall have the meaning ascribed thereto in Section 9.8 of the By-Laws.

"Condominium" refers to 45 East 22nd Street Condominium.

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

"Condominium Board" refers to the board of managers of the Condominium.

"Condominium Documents" refers to this Declaration and By-Laws and any other documents governing the Condominium.

"Contractor" shall have the meaning ascribed thereto in Section 6.3.1.2 of the By-Laws.

"Declarant" refers to East 22nd Street Acquisition Holdings, LLC, a Delaware limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)", "Declarant or a designee of Declarant" or similar terms refers to Declarant and any designee of Declarant.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, and the exhibits thereto.

"Defaulting Unit Owner" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Default Rate" shall mean the Prime Rate (as hereinafter defined) plus four percent (4%) per year.

"Depositary" shall have the meaning ascribed thereto in Section 12.5 of the By-Laws.

"Development Rights" shall have the meaning ascribed thereto in Section 2.3 of the Declaration.

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 2.3 of the Declaration.

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

"Emergency Repairs or Replacements" shall mean repairs or replacements to the Building to abate an Emergency and to protect any person from death or serious injury.

"Exercising Party" is defined in Section 16.10 of the Declaration.

"Facility" and "Facilities" have the meanings contained in Section 8.1.2 of the Declaration.

"First Annual Meeting" shall have the meaning contained in Section 2.3.1.2 of the By-Laws.

"First Closing", "First Unit Conveyance" or words of similar import, refer to the date fee title to a Unit is first conveyed to a Purchaser pursuant to the Plan.

"First Floor Mezzanine" refers to the floor marked as Floor 1M on the Floor Plans.

"First Unit Conveyance" shall have the meaning ascribed thereto in Section 4.3 of the Declaration.

"Floor Plans" refer to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Bureau of The City of New York and filed with the City Register's Office.

"Full Replacement Cost" shall have the meaning ascribed thereto in Section 6.2.1 of the By-Laws.

"Garage" refers to the garage on the Sub-Cellar, Cellar and First Floor, as shown on the Floor Plans.

"General Common Elements" refer to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units and the Limited Common Elements.

"Hazardous Substances" shall have the meaning ascribed in Section 6.15.6 of the By-Laws.

"Impacted Owner" shall have the meaning ascribed thereto in Section 16.10 of the Declaration.

"Indemnitees" shall have the meaning ascribed thereto in Section 26.3 of the Declaration.

"Initial Control Period" refers to the period of time during which the Declarant or Sponsor, as the case may be, has voting control over the Condominium Board, and which continues until the later to occur of: (i) the sale by the Declarant or Sponsor, as applicable, of more than ninety five percent (95%) of the aggregate Common Interests of all Units or (ii) five (5) years following the first Closing of a Unit.

"Inspectors of Election" shall have the meaning ascribed thereto in Section 3.8.4 of the By-Laws.

"Institutional Mortgage" shall have the meaning ascribed thereto in Section 7.5 of the By-Laws.

"Insurance Requirements" shall be defined as the requirements of the Condominium Board, a Unit Owner or a tenant to obtain insurance under the By-Laws, a lease or a Permitted Mortgage, as the case may be, provided in all events such requirements shall be the greater of the requirements imposed under any of the aforementioned as applicable to such Person.

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

"Law" or "Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Legal Requirements" shall mean all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Property, or any part thereof.

"Liening Unit Owner" shall have the meaning ascribed thereto in Section 6.26 of the By-Laws.

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

"Majority of Unit Owners" shall have the meaning ascribed thereto in Section 3.10 of the By-Laws.

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

"Mortgage Representative(s)" shall have the meaning ascribed thereto in Section 7.5 of the By-Laws.

"Mortgagee" shall have the meaning ascribed thereto in Section 7.7 of the By-Laws.

"Net Award" shall mean the award less all reasonable fees and expenses incurred by the Unit Owners and the Condominium Board in collecting the Award.

"Net Proceeds" means the total insurance proceeds payable as a result of a fire or other casualty, less all reasonable fees and expenses incurred by the Unit Owners and/or the Condominium Board in collecting such insurance proceeds.

"Non-Occupying Owner" shall have the meaning ascribed thereto in Section 6.7 of the By-Laws.

"Notice Work" shall have the meaning ascribed thereto in Section 6.10.3 of the By-Laws.

"Occupancy Plan" shall have the meaning ascribed thereto in Section 8.1.1 of the Declaration.

"Offeree" refers to (a) Purchasers who have executed and delivered Purchase Agreements for Units and are not in default thereunder, (b) Unit Owners, and (c) any other person or entity who, pursuant to law, is an offeree of the Plan.

"Operation Expenses" shall have the meaning ascribed thereto in Section 6.4.8 of the By-Laws.

"Opposing Party" shall have the meaning ascribed thereto in Section 6.14.1 of the By-Laws.

"Outside Offer" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Outside Offeror" shall have the meaning ascribed thereto in Section 8.1.1 of the By-Laws.

"Parking Licenses" shall mean the agreement pursuant to which a Parking Space is licensed to a Unit Owner.

"Parking Space" refer to the parking spaces that are located in the Garage.

"Payments" shall have the meaning ascribed thereto in Section 6.7 of the By-Laws.

"Performing Unit Owner" shall have the meaning ascribed thereto in Section 6.10.3 of the By-Laws.

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

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the construction loan mortgages given by Declarant to acquire and construct the Property.

"Permitted User(s)" refers to any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent) guest, tenant, occupant, customer, invitee, licensee, contractor, mortgagee or any other Person related, affiliated or designated by the Condominium Board or a Unit Owner who has permission to use a Unit and/or the Common Elements, subject to the terms of the Declaration and the By-Laws, 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 Declaration and the By-Laws.

"Person" or "Persons" refers to an individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association, any Federal, State, County or municipal government, or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

"Plan" or "Offering Plan" refers to the offering plan for the establishment of Condominium ownership, as the same may be amended from time to time.

"Plans and Specifications" refer to the plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings of the City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

"Prime Rate" shall have the meaning ascribed thereto in Section 6.2.7 of the By-Laws.

"Project Standards" means the highest of the following standards: (1) the standard required to maintain and operate the Condominium (and all Units therein) in a condition and a quality level no less than that which existed at the time that the initial construction of the Building was completed (ordinary wear and tear expected) and (2) the standards maintained in similar buildings in Manhattan.

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

"Proponent" shall have the meaning ascribed thereto in Section 6.14.1 of the By-Laws.

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

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

"Related Costs" refers to all reasonable fees and expenses incurred by the Condominium Board, the Board or the other Unit Owners in connection with necessary and reasonable inspections of Unit Work or Common Element Work of the Performing Unit Owner to determine whether the same are being or have been performed in accordance with the approved plans and specifications therefore and all requirements of (i) all Legal Requirements; (ii) all Insurance Requirements, (iii) the Declaration; and (iv) these By-Laws (including, with respect to Unit Work or Common Element Work which constitute structural alterations, the fees and expenses of any architect or engineer employed for such purpose).

"Remedy Notice" has the meaning specified in Section 26.3 of the Declaration.

"Required Action" has the meaning specified in Section 26.1 of the Declaration.

"Required Documentation" shall have the meaning ascribed thereto in Section 6.12.3 of the By-Laws.

"Resident Manager" shall have the meaning ascribed thereto in Section 18.2 of the Declaration.

"Resident Manager's Unit" refers to the apartment in which the Resident Manager will reside.

"Resultant Unit" refers to a Unit created as a result of the subdivision of a Unit.

"Resultant Unit Owner" refers to a Unit Owner that owns a Resultant Unit.

"Rules and Regulations" collectively refers to the Rules and Regulations attached hereto, together with all modifications, amendments or additions thereto.

"Safety Work" has the meaning specified in Section 6.3.4 of the By-Laws.

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

"Significant Casualty" shall have the meaning ascribed thereto in Section 6.3.4 of the By-Laws.

"Sponsor" refers to East 22nd Street Acquisition Holdings, LLC, a Delaware limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)", "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor.

"Storage Area" refers to the areas in the Cellar and First Floor Mezzanine containing the Storage Bins and Storage Closets.

"Storage Bin" or "Storage Closet" shall mean any Storage Bin or Storage Closet located in the Building which is the subject of a Storage Bin or Storage Closet License or is held by Declarant. Each Storage Bin and Storage Closet shall include the structural framework and materials out of which the Storage Bin or Storage Closet is constructed.

"Storage Bin License" or "Storage Closet License" shall mean the agreement pursuant to which a Storage Bin or Storage Closet is licensed to a Unit Owner.

"Substantially All of the Property" shall have the meaning set forth in Section 9.4 of the By-Laws.

"Taking" shall have the meaning set forth in Section 9.1 of the By-Laws.

"Tenant" or "tenants" shall refer to all tenants, such tenant's subtenants, successors, assigns or other occupants of the Building.

"Terrorism Insurance" means insurance against terrorism, terrorism acts or similar acts of sabotage that are defined (i.e., covered under) TRIA and that are not defined by TRIA.

"Terrorism Insurance Cap" shall have the meaning ascribed thereto in Section 6.2.2.1 of the By-Laws.

"Unit" or "Condominium Unit" refers to space designated as a Unit in the Declaration, consisting, generally, of either a specific residence, together with an appurtenant proportionate

undivided interest in the Common Elements. All of such Units are collectively referred to as "Units".

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

"Unit Owner BI Coverage" shall have the meaning ascribed thereto in Section 6.2.11 of the By-Laws.

"Unit Owner Expense" refers to those expenses incurred by the Condominium Board or a Unit Owner in accordance with the provisions of the Declaration and the By-Laws on behalf of a specific Unit Owner and shall include such expenses expressly provided to be Unit Owner Expenses under the terms of the Declaration and the By-Laws. Any Unit Owner Expenses incurred by the Condominium Board shall be promptly paid by the Unit Owner (and in any event shall be paid within thirty (30) days) after receipt of an invoice therefor. Unit Owner Expenses are deemed to be part of the Common Charges.

"Unit Work" shall have the meaning ascribed in Section 6.10.1 of the By-Laws.

"Unsold Unit" shall have the meaning ascribed thereto in Section 9.1.2 of the Declaration.

"Violating Unit Owner" shall have the meaning ascribed in Section 6.25 of the By-Laws.

"Waiver Period" shall have the meaning ascribed thereto in Section 6.4.8 of the By-Laws.

"Work Conditions" shall have the meaning ascribed in Section 6.10.3 of the By-Laws.

"Work Notice" shall have the meaning ascribed thereto in Section 6.10.3.1 of the By-Laws.

"Working Capital Fund" shall have the meaning ascribed thereto in Section 8.1.8 of the By-Laws.

"Zoning Lot Development Agreement" shall have the meaning ascribed thereto in Section 2.3 of the Declaration.

"Zoning Resolution" means the Zoning Resolution of the City of New York, effective December 15, 1961, as amended or restated from time to time.

# EXHIBIT D

# BY-LAWS

# OF

# 45 EAST 22ND STREET CONDOMINIUM
# 45 EAST 22ND STREET
# NEW YORK, NEW YORK 10010

**EXHIBIT "9"**

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# CONDOMINIUM BY-LAWS

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# BY-LAWS

# 45 EAST 22ND STREET CONDOMINIUM

## ARTICLE 1
## GENERAL

1.1 **Purpose**. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 45 East 22nd Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 7,406 square feet of land (the "Land") which forms a part of Block 851 Lot __ on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant," which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 **Applicability of By-Laws**. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium**. The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board.

## ARTICLE 2
## BOARD OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a Board of Managers of the Condominium (the "Condominium Board").

2.1.2 During the Initial Control Period the Condominium Board shall consist of the three (3) persons appointed by the Declarant. During the Initial Control Period, Declarant reserves the right to designate fewer than three (3) persons to the Board.

2.1.3 From and after the First Annual Meeting called after the end of the Initial Control Period the Condominium Board shall consist of five (5) persons elected by the Unit Owners (including the Declarant), subject to Declarant's rights pursuant to paragraph 3.9.3, with each member having an equal vote on the Condominium Board.

2.1.4 Except as otherwise provided herein, Board members shall be elected at the annual meetings of Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.5 The Condominium Board is sometimes referred to as the "Board."

2.1.6 Except for Board members elected or designated by Declarant or its designee, all members of the Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which own Units, Permitted Mortgagees, or the spouse of individual Unit Owners. Other than Board members elected or designated by Declarant or its designee no Board member shall continue to serve after ceasing to be qualified as set forth above. As used herein the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon pursuant to these By-Laws.

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

2.2 **Powers and Duties.**

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1.a. Operation, care, upkeep, maintenance, repair and replacement of the Common Elements, including contracts for utilities, services and supplies;

2.2.2.1.b. The amount of Common Charges.

2.2.2.1.c. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

2.2.2.1.d. Adoption of, and amendments and additions to, the Rules and Regulations.

2.2.2.1.e. Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.1.f. Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1.g. more of its principals is a member; orLevying fines against

2.2.2.1.h. Levying fines against Unit Owners, for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.1.i. Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1.j. Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves Common Elements, as set forth in 6.2.

2.2.2.1.k. Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Common Elements; provided, however, that (i) the consent of at least 51% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $250,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years) unless the funds are required for Emergency Repairs or Replacements, and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.1(k) is not repaid by the Condominium Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1.l. Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Board may determine.

2.2.2.1.m. Execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or

requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1.n. Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1.o. Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of 6.2.

2.2.2.1.p. Furnishing of services and utilities.

2.2.2.2.(a) Subject to Section 8.2, purchasing, leasing and otherwise acquiring in the name of the Board (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board.

2.2.2.2.(b) Purchasing Units at foreclosure or other similar sales, in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.2.(c) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the Board or its designee, on behalf of all Unit Owners.

2.2.2.2.(d) Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner against whom they are levied).

2.2.2.2.(e) Purchasing or leasing, in the name of the Board, space for the storage of personal property of Unit Owners, and in connection therewith, licensing such space to Unit Owners and the promulgation of conditions, rules and regulations for the operation and supervision thereof. Notwithstanding the foregoing, Declarant will have the right to cause the Board to license any Storage Bins or Storage Closets that are not already licensed to a Unit Owner or acquired by the Board and Declarant shall retain the purchase price for the Storage Bins or Storage Closets for which the Board grants such licenses.

2.2.2.2.(f) Imposition of (i) move-in fees and charges, (ii) transfer fees in connection with the sale or lease of a Unit, and (iii) fines for violating the Rules and Regulations, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.2.(g) Commencement of summary eviction proceedings in the name of or on behalf of the Board and/or 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 Rules and Regulations, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

2.2.2.2.(h) Establishing rules and regulations for the use of the amenities, Storage Bins and Storage Closets, and Parking Spaces, including, but not limited to, the establishment of a schedule of fees for the use of amenity spaces or common spaces of the Building for private functions, and providing that responsibility (financial or otherwise) for any such function shall be that of the Unit Owner or resident hosting such function.

2.2.2.2.(i) Carrying out any other duties imposed upon the Board pursuant to the Declaration and these By-Laws.

2.2.2.2.(j) Licensing Parking Spaces to Unit Owners and the promulgation of conditions, rules and regulations for the operation and supervision thereof. Notwithstanding the foregoing, Declarant will have the right to cause the Board to license any Parking Spaces that are not already licensed to a Unit Owner or acquired by the Board and Declarant shall retain the purchase price for the Parking Spaces for which the Board grants such licenses.

2.2.2.2.(k)

2.2.3 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.4 For convenience of operation of the Condominium, the Board may designate an individual to act as its agent with respect to any matters the determination of which is entitled to be made by such designating party and in connection with such designation may execute, acknowledge and deliver any application, instrument or document, including, without limitation, any power of attorney or indemnification from liability that such designated party may require or request.

2.2.5 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own at least five percent (5%) of the Units but in no event later than five years from the First Closing of a sale made under an Offering Plan, the Condominium Board shall, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the Common Elements, or to any Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise

a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.2.6 Notwithstanding anything contained in the By-Laws to the contrary, the Condominium Board shall not have the right to commence any litigation other than to collect Common Charges or assessments or enforce the provisions of the Declaration or By-Laws without first obtaining the consent of the owners of two thirds of the Units and Common Interests.

2.3 **Managing Agents and Managers.** With respect to matters the determinations concerning which the Board is entitled to make, the Board may employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. Each Board may delegate to such managing agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in 2.2.2.1(b), (e), (h), (1), (m), (n), (o), (q), (r), (s), (t), (u), (v), (w) and (x).

2.3.1 **Condominium Board.**

2.3.1.1 **First Board.** During the Initial Control Period, the Condominium Board shall consist of the three (3) persons appointed by the Declarant.

2.3.1.2 **Later Board.** Within thirty (30) days after the end of the Initial Control Period, the Board will call a special meeting of the Unit Owners (the "First Annual Meeting"), to be held not les than ten (10) days nor more than forty (40) days after such date, at which time the Unit Owners will elect members to the Condominium Board. Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons and each member of the Condominium Board shall have an equal vote.

2.4 **Resignation and Removal.** A Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of 3.9.3, any Board member may be removed, with or without cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners, at which a quorum is present. The Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed with cause and replaced as described in 2.5. In addition, any member of the Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member. A Board member who fails to attend three consecutive meetings of the Board or five meetings in any twelve month period or who ceases to be a Unit Owner or who is more than two months in arrears in paying Common Charges and assessments, shall be deemed to have resigned from the Board.

2.5 **Vacancies**. Subject to the provisions of 3.9.3, any vacancy on the Board for whatever reason shall be filled by the remaining members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in the Board member designated by Declarant or its designee, ceasing to be a member of any the Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.6 **Organizational Meetings of the Board**. The first meetings of the Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

2.7 **Regular Meetings of the Board**. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, e-mail or telegram, at least five business days prior to the day named for such meeting.

2.8 **Special Meetings of the Board**. Special meetings of the Board may be called by the President or Vice President of the Board by giving five business days' prior notice to each member of the Board by personal delivery, mail, e-mail or telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of at least two (2) members of the Board.

2.9 **Resolutions of the Board**. The Board shall cause to be promptly delivered to the Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.10 **Unit Owner Attendance**. Unit Owners or their representatives may only attend meetings of the Condominium Board with the prior written approval of the Condominium Board.

2.11 **Waiver of Notice**. A Board member may at any time waive notice of a Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of a Board, no notice shall be required and any business may be transacted at such meeting.

2.12 **Determinations by the Board; Quorums.**

2.12.1 Except as otherwise set forth in 2.12.3, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Condominium Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Board.

2.12.2 If at the Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.12.3 Members of the Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.13 **Compensation**. No member of the Board shall receive any compensation for acting as such.

2.14 **Liability of the Board Members and Unit Owners.**

2.14.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the Units or any Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof shall state that it is made by the Board, managing agent or manager only as agent for all Unit Owners, that the Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Units, as the case may be, or any Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in his or her Unit and the Unit's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board. Board members shall have no liability to Unit Owners except that a Board member shall be liable for the Board member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member, against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect

any transaction with the Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.14.2 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or any member thereof or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any Common Element.

2.14.3 The Condominium shall indemnify each Board member against all costs arising out of the Board member's serving in such capacity except those matters arising out of the Board member's own bad faith, gross negligence or willful misconduct.

2.14.4 The Condominium Board may contract or effect any other transaction with the Board member, Declarant and/or affiliates of any of the foregoing without incurring any liability of self-dealing or otherwise (except in the case of bad faith, gross negligence or willful misconduct which shall not be deemed presumed or established by the relationship between or among any such parties), but all such contracts or transactions shall be made only in accordance with the provisions hereof.

2.14.5 No Unit Owner, in its capacity as a Unit Owner, shall be personally liable for any contract with respect to any contract, act or omission of the Condominium. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges or assessments.

2.15 **Fidelity Bonds**. The Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute Common Expenses.

2.16 **Committees**. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an executive committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as each the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by any the Board shall have as at least one of its members a member appointed by Declarant.

2.17 **Principal Offices of Board**. The principal offices of the Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board.

2.18 **Status of the Board**. In addition to the status conferred upon each of the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute an unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of

New York. In the event of the incorporation of the Board pursuant to the provisions of 2.19, the provisions of this Section 2.18 shall no longer be applicable to the Board.

2.19 **Incorporation of the Board**. To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and By-Laws.

2.20 **The Board as Agent of Unit Owners**. In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, the Board shall act in good faith as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.21 **Prohibited Transactions**. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; *provided, however*, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

## ARTICLE 3
## UNIT OWNERS

3.1 **Annual Meetings**.

3.1.1 On or no more than thirty (30) days after the end of the Initial Control Period, the Board will call the First Annual Meeting of the Unit Owners. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these By-Laws) a Board consisting of five (5) persons elected by the Unit Owners (including the Declarant), subject to Declarant's rights pursuant to paragraph 3.9.3. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.1.2 Only the Unit Owners or their proxy holders may attend Unit Owners' meeting without the prior approval of the Board.

3.2 **Place of Meetings**. Meetings of all or any Unit Owners shall be held at the principal office of the Condominium, or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 **Special Meetings**. The President of the Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Board by not less than 25% in Common Interest of Unit Owners.

3.4 **Notice of Meetings and Actions Taken**. Notice of each annual or special meeting shall be given by the Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings**. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 **Order of Business**. The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units**. Title to Units may be taken by any individual, corporation, partnership, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; *provided, however*, that no designation to act as a proxy shall be effective for a period in excess of twelve months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. The Board or its designee shall not be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or his or her proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast a vote equal to the Unit Owner's percentage interests in the Common Elements.

3.8.3 When ownership is in the names of two or more persons in the absence of written directions from the Unit Owners to the contrary, at any meeting of Unit Owners, any one or more of such Unit Owners may cast, in person or by proxy, the vote to which such ownership

is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the persons in whose names the Unit is owned that Unit's one vote shall be split among the persons who own the Unit and are present in person or by proxy at such meeting.

3.8.4 Inspectors of Election. In advance of or at any meeting of Unit Owners, the Board may appoint any person, other than nominees for election to the Board or their relatives or employees or existing Board members, as "Inspectors of Election" to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall, make such appointment at the meeting. In case any person appointed as an Inspector of Election fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors of Election shall include: verifying the number of Common Interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all challenges and questions in any way arising in connection with the rights to vote; counting and tabulating all votes or consents; determining the result; and such act as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the First Annual Meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it (excluding Unsold Units purchased by Declarant or its designee). In addition, for so long as Declarant owns at least one (1) Unsold Unit (excluding Unsold Units purchased by Declarant or its designee) as the case may be, (a) Declarant shall have the right to either designate one member of the Board or vote the Common Interests attributable to Unsold Unit(s) owned by it and (b) the number of members of the Board may not be increased without the consent of Declarant. Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant.

3.10 **Majority of Unit Owners**. Except as may otherwise be provided by law, as used in these By-Laws, the terms "Majority of Unit Owners" means those Unit Owners, having more than 50% of the total authorized votes of all Unit Owners, determined in accordance with the

provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 **Quorum**. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the aggregate Common Interests applicable to all of the Units shall constitute a quorum at all joint meetings of Unit Owners.

3.12 **Majority Vote**. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 **Meetings**. Any action required or permitted to be taken at any meeting of the Unit Owners thereof may be taken without a meeting if the requisite number of Unit Owners, consent in writing to the adoption of a resolution authorizing the action and if the resolution and the written consents thereto are filed with the minutes of the proceedings of the Condominium.

3.14 **Confidentiality**. Information disclosed to Board members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their final form, and any discussions leading up to such decisions are confidential. Board members should never disclose how other Board members voted.

3.15 **Conflicts of Interest**.

(a) No member of the Board shall receive any economic benefit of any nature, including any remuneration, gift or other consideration, from any person, firm, or entity dealing with the Condominium, as a result of, or in any way associated with, transactions involving the Condominium, unless such economic benefit shall have been specifically disclosed to, and approved by, a two-thirds vote of the disinterested Board members prior to receipt thereof.

(b) Real estate brokers or salespersons, who are members of the Board, shall refrain from engaging in selling Units in the building or participating in such sales, either directly or indirectly, as listing broker, co-broker or otherwise as an economic participant in such sales.

(c) Attorneys, who are members of the Board, shall refrain from representing Unit Owners of the Condominium in matters arising between the Condominium and such Unit Owners. A Board member who is a principal or owner of, or has a financial interest in, any company supplying goods or services to the Condominium shall refrain from doing business with the Condominium, except as provided otherwise herein.

(d) No member of the Board shall vote on any matter, or participate in the discussion of any matter, in which the member has a financial interest, other than a general interest as a Unit Owner or proprietary Unit Owner of the Condominium. "Financial interest" includes, without limitation, any of the following interests:

(i) Interests as an owner, agent or principal of, either directly or indirectly, or otherwise possessing a financial interest of any nature in or with, any company or other entity, in any way involved in the subject of such vote; or

(ii) Interests as a party involved in any manner in the transaction being voted upon, including, without limitation, as a broker in any way involved in the sale of a Unit; or

(iii) Interests as attorney for, or other legal representative of, any Unit Owner or any party being the subject of such vote or discussion.

(e) The violation of any of the foregoing provisions shall be grounds for removal of the Board member for cause by a vote of two thirds of the Board or majority vote of the Unit Owners.

The Condominium Board may, by majority vote, require that a Board member be recused from participating in any discussion or voting on any matter, when the Board determines that there is a substantial financial conflict between the interests of the Board member and the interests of the Condominium or that such a conflict of interest reasonably appears to exist.

3.16 **New Business**. Any new business to be taken up at the annual meeting shall be stated in writing and filed with the Secretary of the Condominium at least five (5) days before the date of the annual meeting, and all business so stated, proposed, and filed shall be considered at the annual meeting; but no other proposal shall be acted upon at the annual meeting. Any Unit Owner may make any other proposal at the annual meeting and the same may be discussed and considered, but unless stated in writing and filed with the secretary at least five days before the meeting, such proposal shall be laid over for action at an adjourned, special, or annual meeting of the Unit Owners taking place 30 days or more thereafter. This provision shall not prevent the consideration and approval or disapproval at the annual meeting of reports of officers, Board members, and committees; but in connection with such reports, no new business shall be acted upon at such annual meeting unless stated and filed as herein provided.

## ARTICLE 4
## OFFICERS

4.1 **Designation**. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof. The Condominium Board may each appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Board after the First Annual Meeting of Unit Owners. Any one may hold multiple offices.

4.2 **Election of Officers**. The officers of the Condominium Board shall be elected annually by the Board, respectively, at the organizational meetings thereof, except that the initial officers shall be elected, by the initial Board and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 **Resignation and Removal of Officers**. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board which elected such officer. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board electing him, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 **President**. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as he or she may in his or her discretion decide are appropriate to assist in the conduct of the affairs of the entire Condominium.

4.5 **Vice President**. The Vice President shall take the place of the President and perform his or her duties whenever such President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some member of the Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or by the President.

4.6 **Secretary**. The Secretary of the Condominium shall keep the minutes of all joint meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 **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 Board for which he or she serves (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents**. Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

4.9 **Compensation of Officers**. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

4.10 **Liability of Officers**. To the extent permitted by applicable law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith, willful misconduct, illegal acts, fraud or gross negligence.

## ARTICLE 5
## NOTICES

5.1 **Notices**. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to the other Board and to all Unit Owners, as the case may be, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by first class mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice**. Whenever notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

## ARTICLE 6
## OPERATION OF THE PROPERTY

### 6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements ("Common Expenses") shall be determined by the Condominium Board as set forth below, and shall be borne by the Unit Owners. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually

prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in the projected "Budget for First Year of Condominium Operation, Schedule B" as set forth in the Plan), to meet Common Expenses. Such budget shall include such amounts for reserves, as the Condominium Board deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law.

6.1.2 The Common Expenses shall include the rental or purchase of an apartment to be used as the residence of the Resident Manager and all costs and expenses associated therewith. From time to time the Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. In addition to basing charges on Common Interests (or during the first two (2) years, on actual costs and expenses), the Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of law. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each Annual Budget to all Unit Owners and Permitted Mortgagees thereof.

6.1.3 Except for expenditures made and obligations incurred as a result of an Emergency, or in accordance with a Budget, or which are otherwise not required to be approved by the Condominium Board or which have been previously approved by the Condominium Board, the Managing Agent shall have no authority to make any expenditure or incur any obligation on behalf of the Condominium Board. When a Budget is approved or when an existing Budget is modified and such modification is approved by the Condominium Board, as set forth above, the Managing Agent shall implement such Budget and shall be authorized, without the need for further approval by the Condominium Board (except as expressly set forth herein), to make the expenditures and incur the obligations provided for in such Budget. In the event the Condominium Board, has not approved a Budget prior to the commencement of a new year of operation, the Managing Agent shall perform its obligations under the By-Laws in accordance with the prior Annual Budget and Capital Budget; provided, however, that (i) the amounts in such prior Budgets for non-discretionary items shall be deemed increased to the actual cost of such items, (ii) any expense that has been separately approved by the Board (for example, a capital project or the work relating to an agreement that has been approved by the Board) shall be authorized, and (iii) any amounts required to be paid under the terms of any project contracts shall continue to be paid. The "Annual Budget" refers to the Budget prepared or caused to be prepared at least annually by the Board to meet the Common Expenses of the Condominium, in accordance with the requirements set forth herein. The "Capital Budget"

refers to the Budget prepared or caused to be prepared by the Board for capital expenditures for the following year of Condominium operation.

6.1.4 Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.5 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed, and after assessment, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

6.1.6 Unit Owner Expenses shall be invoiced by the Managing Agent from time to time as such expenses are incurred and shall be promptly paid by the applicable Unit Owner (and in any event shall be paid within thirty (30) days after receipt of an invoice therefor) and the Condominium Board shall have a lien on the applicable Unit Owner's Unit (whether payable to the Condominium Board or the other Unit Owner) as though such amounts were payable to the Condominium Board as Common Charges, but in the case of any payments due to the other Unit Owner, such lien shall be held and enforced by the Condominium Board for the benefit of such Unit Owner. Costs incurred by the Condominium for any Emergency work performed by the Condominium Board may be included in the Common Charges or invoiced as Unit Owner Expenses (as the case may be in accordance with the terms of the Declaration and these By-Laws) from time to time as such costs are incurred (and in any event shall be paid within thirty (30) days after receipt of an invoice therefore).

6.1.7 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2). All special assessments shall be levied against all Unit Owners in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.8 Notwithstanding anything contained herein to the contrary, the Board shall not impose any charge or fee against any tenants or occupants of Units owned by Sponsor or its designee or against Sponsor on account of Building services provided to such tenants and occupants unless Sponsor or its designee is permitted by Legal Requirements to impose such charge or fee against such tenants or occupants. Any permitted charge or fee may be increased by the Board but only to the extent Sponsor or its designees is permitted by Legal Requirements to charge its tenants or occupants such increased charges or fees. If, as the result of the aforesaid limitations on the Board, the amount of such charges or fees collected by the Board is insufficient to cover the cost of providing such Building services, then such additional cost shall be included in the Common Charges and be borne by all Unit Owners in proportion to their respective Common Interests.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (i) "all risk" insurance on the Property, the Building and the improvements and the personal property, in each case (A) in an amount equal to one hundred percent (100%) of the "Full Replacement Cost," which for purposes of these By-Laws shall mean actual replacement value (exclusive of costs of excavations, foundations, underground utilities and footings) with a waiver of depreciation; (B) containing an agreed amount endorsement with respect to the Property, the Building and the improvements (other than the Units) and personal property waiving all co-insurance provisions; (C) providing for no deductible in excess of $100,000 for all such insurance coverage; and (D) if any of the improvements or the use of the Property shall at any time constitute legal non-conforming structures or uses, providing coverage for contingent liability from operation of Building laws, demolition costs and increased cost of construction endorsements and containing an "Ordinance or Law Coverage" or "Enforcement" endorsement; (ii) commercial general liability insurance against claims for personal injury, bodily injury, death or property damage occurring upon, in or about the Property, with such insurance (A) to be on the so-called "occurrence" form with a general aggregate limit of not less than $1,000,000 and a per occurrence limit of not less than $1,000,000 and (B) to cover at least the following hazards: (1) premises and operations; (2) products and completed operations; (3) independent contractors; and (4) blanket contractual liability; (iii) fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the Managing Agent, if any, employed by it; to the full extent permitted by law, the Condominium Board shall purchase and maintain directors and officers insurance (A) to indemnify the Unit Owners, the Condominium Board for any obligation which any of them incurs as a result of the indemnification of members and officers of the Condominium Board under the provisions of these By-Laws or as required by law or by a court order, (B) to indemnify members and officers of the Condominium Board in instances in which they may be indemnified by the Unit Owners or the Condominium Board under the provisions of these By-Laws, and (C) to indemnify members and officers of the Condominium Board in instances in which they may not otherwise be indemnified, to the extent provided by such insurance and (iv) at all times during which structural construction, repairs or alterations are being made with respect to the improvements, and only if the Property coverage form does not otherwise apply, (A) owner's contingent or protective liability insurance covering claims not covered by or under the terms or provisions of the above mentioned commercial general liability insurance policy and (B) the insurance provided for in clause (i) above written in a so-called "Builder's Risk Completed Value" form (1) on a non-reporting basis, (2) against "all risks" insured against pursuant to clause (i) above, (3) including permission to occupy the Property, and (4) with an agreed amount endorsement waiving co-insurance provisions; (v) workers' compensation, subject to the statutory limits of the State of New York, and employer's liability insurance in respect of any work or operations on or about the Property, or in connection with the Property or its operation (if applicable); (vi) boiler and machinery insurance, if applicable, on terms consistent with the commercial property insurance policy required under clause (i) above; (vii) excess liability and umbrella insurance in an amount not less than $100,000,000 per occurrence on terms consistent with the commercial general liability insurance required under (ii) above; and (viii) upon sixty (60) days' written notice, such other reasonable insurance and in such reasonable amounts as the Condominium Board from time to time may reasonably determine against such other insurable hazards which at the time are commonly insured against for property similar to the Property located in or around the region in which the Property is

located. Notwithstanding anything to contrary set forth herein, in the event of a dispute as to the full replacement costs of the Property, the parties shall refer the matter to a replacement cost appraiser for determination.

6.2.2 All policies maintained by or on behalf of the Condominium Board as provided in Section 6.2.1 shall provide that adjustment of loss shall be made between the insurance company(ies) and by the Condominium Board, if the loss involves the Common Elements or more than one Unit. The right of the Condominium Board or a Unit Owner to adjust any loss as described above shall be subject (as to an encumbered Unit) to the rights of a Permitted Mortgagee, if any, under the terms of a Permitted Mortgage to approve adjustments to the extent required under the applicable loan documents, as it pertains to the Unit secured by the Permitted Mortgage (or other loan documentation related thereto) held by said Permitted Mortgagee.

6.2.2.1 The Condominium Board shall obtain insurance against terrorism, terrorism acts or similar acts of sabotage that are defined (i.e. covered under) TRIA and that are not defined by TRIA (not covered under) TRIA ("Terrorism Insurance") with amounts terms and coverage consistent with those under Section 6.2.1 above, and provide coverage for acts not defined by TRIA (non-certified acts) with such limits as the Condominium Board deems to be reasonable. Notwithstanding the foregoing sentence, the Condominium Board shall not be obligated to expend more than $1,000,000 (as such amount is adjusted for inflation) in any fiscal year on such coverage ("Terrorism Insurance Cap") and if the cost of the coverage exceeds the Terrorism Insurance Cap, the Condominium Board shall purchase the maximum amount of coverage available for acts of terrorism as defined by TRIA, if TRIA is still in effect or not with funds equal to the Terrorism Insurance Cap.

6.2.3 All policies provided for in this Section 6.2 shall contain clauses or endorsements to the effect that:

6.2.3.1 no act or negligence of the Condominium Board, the Unit Owners, or anyone acting for the Condominium Board or Unit Owners, or of any tenant or other occupant of a Unit, or failure to comply with the provisions of any Policy, which might otherwise result in a forfeiture of the insurance or any part thereof, shall in any way affect the validity or enforceability of the insurance insofar as any Permitted Mortgagee is concerned;

6.2.3.2 the policies shall not be materially changed (other than to increase the coverage provided thereby) or canceled without at least thirty (30) days' prior written notice to any party named therein as an additional insured, including, without limitation, any Permitted Mortgagee; and

6.2.3.3 the issuers thereof shall give written notice to the Permitted Mortgagees if a Policy has not been renewed thirty (30) days prior to its expiration.

6.2.4 The insurance required to be maintained under this Section 6.2 shall meet the following criteria:

6.2.4.1 No Unit Owner shall (1) do or permit any act or thing to be done in or to its Unit which will invalidate or be in material conflict with any public liability,

property or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (2) keep anything in its Unit or in the Common Elements which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (3) permit its Unit or the Common Elements to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of this Declaration, unless such Unit Owner pays the additional cost thereof as provided below.

6.2.4.2 Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a default by a Unit Owner in performing its obligations under this Section 6.2 or by reason of any increase in the premium charged for insurance carried by the Condominium Board resulting from a change in the insurance rate for the Property attributable to a particular use of such Unit Owner's Unit, shall be assessed against and payable by such Unit Owner and be deemed a Unit Owner Expense. For all purposes hereunder, a schedule or "makeup" of rates for the Property issued by the New York Fire Insurance Rating Bureau or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

6.2.4.3 Any blanket insurance policy required or permitted hereunder shall specifically allocate to the Property the amount of coverage from time to time required hereunder and shall otherwise provide the same protection as would a separate Policy insuring only the Property in compliance with the provisions of Section 6.2.1 above.

6.2.4.4 All policies of physical damage insurance obtained by the Condominium Board and the Unit Owners shall contain, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or materially or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Condominium Board and all Unit Owners hereby waive their subrogation rights as to each other.

6.2.4.5 Except for Workers Compensation and New York Statutory Disability insurance coverages, all insurance maintained hereunder shall contain waivers of subrogation and the Condominium Board and the Unit Owners each hereby waive and agree that they shall make no claim for recovery against each other for damages to or loss of the Common Elements and/or any Unit, or any improvements and betterments thereon or therein, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Condominium Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein.

6.2.4.6 All policies maintained by the Condominium Board shall acknowledge and provide that (a) all Unit Owners and Permitted Mortgagees are deemed additional insureds for any liability insurance except that Unit Owners shall not be considered additional insureds with respect to the operations of their own Unit, and (b) the Condominium Board is deemed a loss payee for casualty to a Common Element appurtenant to more than one but not all Units. The Condominium Board shall provide a copy of all insurance policies to all

Unit Owners and Permitted Mortgagees, at no cost to any Permitted Mortgagee, evidencing all required Condominium Board policy coverages and additional insured, loss payee or mortgagee status.

6.2.4.7 Liability coverage shall be endorsed with a severability of interest endorsement, if not otherwise included, stating that if a claim is brought by one insured against another insured under such policy, or by an employee of one insured against another insured under such policy, each insured shall be considered a separate insured for purposes of the insurance. The policies shall be written with a contractual liability endorsement, if not otherwise included, providing coverage for bodily injury or property damage assumed under any type of "written agreement," as defined in the standard ISO liability policy, to the extent permitted by law.

6.2.4.8 The issuance of any insurance policy hereunder with respect to a Unit Owner's insurance coverage, shall not be deemed to limit or restrict in any way any Unit Owner's liability in connection with or arising out of its work and the indemnification obligations set forth in this Declaration.

6.2.5 The Condominium Board shall provide copies of its new or renewal policies to each Permitted Mortgagee within thirty (30) days following expiration of expired policies, and evidence of renewal policies, in binder form, shall be delivered by the Condominium Board to each Permitted Mortgagee at least ten (10) days prior to the expiration dates of such policies, together with proof that the premiums for at least the first year of the term of such policies have been paid.

6.2.6 If any of the foregoing insurance coverages, including without limitation, the deductibles with respect thereto, are unavailable or unavailable at commercially reasonable rates, then in lieu thereof, the Condominium Board may, subject to the rights of any Permitted Mortgagee, obtain and maintain such other insurance coverages as would then be obtained and maintained by prudent property owners of similar properties situated in the City of New York. The insurance coverage described herein may be adjusted for inflation at the discretion of the Condominium Board.

6.2.7 If the Condominium Board fails to obtain and maintain the insurance required in this Article 6, then a Permitted Mortgagee shall have the right, upon three (3) business days' notice to the Condominium Board and the Permitted Mortgagees, to obtain such insurance in the required amounts. All premiums paid therefor shall be deemed a debt and obligation of the Condominium Board to be repaid with interest at a rate equal to the prime rate of interest (as reported from day to day in The Wall Street Journal) imposed by Citibank, N.A. or its successor, or if such rate is not available, the same rate or prime rate of interest at any "money center" bank as may be designated by a Permitted Mortgagee (the "Prime Rate"), plus 2% per year, upon demand. Each of the Unit Owners shall be deemed to have a power of attorney, coupled with an interest, from the Condominium Board to act on its behalf to perform the obligations of the Condominium Board as set forth herein. Each Permitted Mortgagee also shall be deemed to have a power of attorney, coupled with an interest, from the Condominium Board to act on their behalf to perform the obligations of the Condominium Board as provided under this Section. Any dispute under this Section 6.2 shall be resolved by Arbitration.

Notwithstanding anything to the contrary set forth herein, any Permitted Mortgagee, Board, or Unit Owner intending to obtain insurance on behalf of the Condominium pursuant to this Section 6.2.7 shall provide all other Permitted Mortgagees, the Board and Unit Owners notice of such intent.

6.2.8 The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. Each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum coverage as established by the Condominium Board, from time to time and (b) Unit Owner's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. The Condominium Board and the Managing Agent shall not be responsible for ensuring that Unit Owners are insured and shall have no liability for the failure of a Unit Owner to have insurance. To the extent either party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.2.9 Notwithstanding anything to the contrary set forth above, in the event that any Unit is subject to more stringent insurance requirements as a result of any lease or Permitted Mortgage placed upon such Unit, or otherwise, the Condominium Board and the Depositary will be obligated to satisfy the more stringent requirements, and the Condominium Board, if necessary, will obtain such additional insurance coverage as may be required. Any additional costs incurred as a result of the foregoing will be borne by the Unit Owner whose Unit was subject to the more stringent requirements.

6.2.10 Without limiting the remedies of the Condominium Board for a Unit Owner's default, in the event that a Unit Owner (or any tenant or occupant of all or any portion such Unit Owner's Unit) fails to provide a certificate or other evidence of insurance required to be provided by each Unit Owner (or such tenant or occupant) hereunder and does not cure such default within ten (10) business days after notice from the Condominium Board a Permitted Mortgagee (as the case may be), the Condominium Board, such Permitted Mortgagee shall be authorized (but not required), if the same remains uncured, to procure such coverage on behalf of such Unit Owner and the cost thereof (if made by the Condominium Board shall be charged back to such Unit Owner as a Unit Owner Expense (and, if such coverage is obtained by the Permitted Mortgagee, all payments with respect thereto shall be reimbursed to such Unit Owner by the defaulting Unit Owner).

6.2.11 The Condominium Board shall obtain and maintain such additional or greater insurance coverage as may be requested in writing by a Unit Owner provided, the requesting Unit Owner shall pay the premium (or increase in existing premiums) related thereto as a Unit Owner Expense. Such additional or greater insurance coverage may include business interruption insurance in such amounts as may be requested by the Unit Owner (the "Unit Owner BI Coverage"). In the event that more than one Unit Owner requests that the Condominium Board obtain business interruption insurance on behalf of such Unit Owners (a) the premium therefore shall be allocated pro rata on the basis of each Owner's respective Unit Owner BI Coverage payable as a Unit Owner Expense, (b) the proceeds disbursed by the insurance company in respect to such coverage will be paid to each Unit Owner based upon each Unit Owner's loss of rental income, up to the respective Unit Owner's BI Coverage and (c) each Unit Owner who has suffered a loss of rental income shall participate with the Condominium Board to handle the adjustment of such loss.

6.2.12 Any company writing any insurance required under these By-Laws shall have an A.M. Best rating of not less than A-/VIII. All Commercial General Liability insurance policies shall name as additional insureds the Condominium Board, the Unit Owners, and Permitted Mortgagees and such other parties as the particular Unit Owner shall desire, all as their respective interests shall appear. All policies of insurance shall contain endorsements that the insurer(s) shall give the Condominium Board and the Unit Owners and their designees at least thirty (30) days' advance written notice of any cancellation, termination, material change or lapse of insurance. Certificates evidencing the existence of the Policies to be maintained by a Unit Owner (or any tenant or occupant of such Unit Owner's Unit) under this Section 6.2 shall evidence satisfaction of the requirements for such Policies set forth herein and shall be delivered to the Condominium Board and each Unit Owner no later than ten (10) days prior to such Unit Owner's acceptance of the deed for its Unit or, if a Unit Owner (or any tenant or occupant of such Unit Owner's Unit) is performing any alterations, additions or improvements, not less than fifteen (15) days prior to the commencement of such work. Within ten (10) days prior to the expiration or termination date of any policy, the Unit Owner or tenant shall deliver a renewal or replacement certificate evidencing the existence thereof, to the Condominium Board, each Unit Owner and Permitted Mortgagee. All policies of property insurance maintained by any Unit Owner shall contain a waiver of subrogation with respect to the Condominium Board, each Unit Owner, each Permitted Mortgagee and their respective agents and employees, to the extent obtainable. Nothing herein shall preclude or prevent any Unit Owner from obtaining or maintaining insurance, which is greater in scope than that which is required hereunder.

6.2.13 Premiums for insurance required to be obtained by the Condominium Board shall be allocated to each Unit Owner as follows:

6.2.13.1 Casualty insurance, Terrorism Insurance and boiler and machinery insurance shall be allocated to each Unit Owner based upon its respective Common Interest and paid as a Unit Owner Expense.

6.2.13.2 Commercial general liability and excess and umbrella coverage, worker's compensation and employer's liability to each Unit Owner based upon its respective Common Interest and paid as a Unit Owner Expense.

6.2.13.3 Fidelity bonds shall be included as part of the Common Charges payable by each Unit Owner.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 If the Building is damaged by fire or other casualty, the Condominium Board shall, with due diligence and in as timely a manner as practicable under the circumstances, cause the damage to be repaired and the Building (exclusive of tenant build outs and other interior improvements which shall be the sole responsibility of the affected Unit Owner in accordance with Section 6.3.1.2 below) to be restored pursuant to the following provisions of this Section 6.3.1 and Sections 6.3.2 – 6.3.8 below, unless such casualty is a Significant Casualty and the Board does not decide to repair and restore the Building, in which event the provisions of Section 6.3.4 below shall apply.

6.3.1.1 Claims shall be adjusted by the Condominium Board. Any dispute regarding the adjustment and/or settlement of any claim with the relevant insurance company shall be submitted to Arbitration.

6.3.1.2 The Condominium Board shall cause all necessary repair and restoration work with respect to the Building to be performed in accordance with the provisions of this Section 6.3.1 and Sections 6.3.2 – 6.3.8. If proceeds with respect to a loss shall be payable to the Condominium Board, the Condominium Board (i) shall hold such proceeds in trust for the purpose of paying the costs of the repair or restoration as provided in Section 6.3.1 and (ii) shall apply such proceeds first to the payment in full of the cost of such repair and restoration before using any part of the same for any other purpose. The Board shall give notice of completion of any such repair or restoration to the Unit Owners, then the excess proceeds shall be distributed in accordance with Section 6.7. In connection with the repair and restoration work to the Building in accordance with the provisions of this Section 6.3.1 and Sections 6.3.2 – 6.3.8, the Board shall engage an Architect (as defined below), if required. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Board by a Contractor (as hereinafter defined) approved by a majority of Board members. "Architect" shall mean an architect or construction consulting firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building and has provided services comparable to those being requested hereunder within not less than three (3) of the immediately preceding ten (10) years. "Contractor" shall mean a qualified general contractor or construction manager with significant experience in the construction of structures in Manhattan similar to the Building.

6.3.1.3 The plans and specifications for such repair and restoration of the Building shall be prepared by the Architect in accordance with instructions given by the Condominium Board and shall provide for the restoration of the damaged portion of the Building as close as commercially practicable to the Building as it existed prior to the damage or destruction, except to the extent any changes in applicable Legal Requirements require otherwise.

6.3.1.4 During the course of the repair and restoration, the Condominium Board shall maintain the Builder's Risk insurance required by 6.2.1.

6.3.2 In connection with any casualty, the Depositary shall hold all Net Awards and shall be the disbursement agent for all Net Awards, which pertain to such casualty.

6.3.3 In the event any build outs or other similar improvements to the interior of any of the Units and not Common Elements are damaged or destroyed by fire or other casualty, the affected Unit Owner, at its sole cost and expense (and whether or not insurance proceeds are available therefor), shall immediately remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall, at its election, and at its sole cost and expense, either (i) repair and restore the space so damaged to a habitable and usable condition in compliance with the provisions of any existing leases and otherwise in compliance and conformity with applicable Legal Requirements, the Declaration, these By-Laws, the Project Standards and the standards generally applicable to similar buildings in Manhattan, or (ii) restore such space to a safe and secure condition in compliance with applicable Legal Requirements and with complete and slightly demising walls, doors and exterior visible surfaces separating such space from any other space which is visible from outside of the damaged space, which shall include any appropriate aesthetic alterations to the exterior of such damaged space.

6.3.4 If the Building is damaged by fire or other casualty, the Building shall be repaired or restored in accordance with the provisions of Section 6.3 hereof, unless (i) more than seventy five (75%) percent of the Building is damaged or destroyed by fire or casualty (a "Significant Casualty") as determined by the Certifying Professional in accordance with Section 6.3.5 below, and (ii) the owners of two thirds of the Units and the Common Interests vote to not repair and restore the Building. If a Significant Casualty occurs and the owners of two thirds of the Units and the Common Interests vote to not repair and restore the Building, (a) the Condominium Board shall secure and fence in the Property boundary, and shall raze the Building, if necessary, and put the Building and Property into compliance with applicable Legal Requirements, and otherwise make the Property and Building safe (all of the activities described in this clause (a), the "Safety Work"), (b) the insurance proceeds, net of the costs and expenses of the Condominium Board and the Unit Owners hereunder and the cost of any Safety Work, shall be distributed to the Unit Owners based upon each Unit Owner's percentage interest in the Common Elements. In the event the Building is repaired and restored as aforesaid, each Unit Owner (including any Resultant Unit Owner) hereby acknowledges and agrees that insurance proceeds will be first applied to such repair and restoration in accordance with Section 6.3 of these By-Laws.

6.3.5 In connection with any repairs to or restoration of the Building pursuant to the provisions of these By-Laws, the Depositary shall hold all Net Proceeds and shall be the disbursement agent for all Net Proceeds, which pertain to damage, which has occurred with respect to the Building.

6.3.6 Upon completion of the repair and restoration in accordance with the provisions of this Section and full payment therefore and for all costs in connection therewith, any excess Net Proceeds shall be retained by the Condominium Board.

6.3.7 Except as set forth in Sections 6.3.2 and 6.3.3 above, the Condominium Board shall be obligated to repair and restore the Building regardless of whether or not any insurance proceeds are available.

6.3.8 Reallocation of Common Interests. If, as a result of a casualty, the total square footage of any Unit changes, the parties shall promptly (x) adjust, as of the date of completion of the repairs and restoration required in connection with such casualty, the Unit Owners' Common Interests in the Condominium in a manner consistent with the allocation thereof in existence immediately preceding such casualty, and (y) prepare and record in the City Register's Office an amendment to the Declaration and/or these By-Laws, as appropriate, confirming such reallocation. If the parties shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the repairs and restoration, they shall submit such issue to Arbitration to the extent permitted by Law.

6.4 **Payment of Common Charges.**

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against the Unit Owner's Unit subsequent to a sale or other conveyance by the Unit Owner (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations is then existing with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Board or their designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing. A purchaser of a Unit shall not be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him or her of such Unit, and, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. In the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit.

6.4.3 All liens provided for in 6.4.2, to the extent permitted by applicable law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding 6.4.2, neither the seller nor the purchaser of a Unit 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 a written statement from the Board or the Managing Agent on the Board's behalf.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, a Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Section 6.4.2) for any such accrued and unpaid amounts.

6.4.6 Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws.

6.4.7 Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan for a period of time after the First Closing (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to the Resident Manager's Unit). Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners, terminate the Waiver Period.

6.5 **Collection of Common Charges**. The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges**. In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or five percent (5%) of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner

permitted by law. All such "late charges", interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, each Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein.

6.7 **Non-Occupying Unit Owner**. For the purposes of this subsection 6.7, "Non-Occupying Owner" shall mean a Unit Owner who or which does not occupy its Unit.

6.7.1 If a Non-Occupying Owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Non-Occupying Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within 60 days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

6.7.2 If the Payments for any Unit have not been paid in full, within 60 days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the Non-Occupying Owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. The Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the Non-Occupying Owner are once again current, notice of such fact shall be given within three business days to the rental tenant and Non-Occupying Owner. Thereafter all rental payments shall be made payable to the Non-Occupying Owner or a designated agent. A Non-Occupying Owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within 30 days of the date that the Board receives notice that such owner seeks to dispute such claim.

6.7.3 Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

6.7.4 Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the Non-Occupying Owner against such tenant for such rent.

6.8 **Foreclosure of Liens for Unpaid Common Charges**. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay the fair market rental for the use and occupancy of the Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions

and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.9 **Statement of Common Charges**. The Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners which statement may be made by the Managing Agent, if any, on its behalf.

6.10 **Alterations, Additions, Improvements and Repairs of Units**. Each Unit shall be kept in good order and repair in a manner consistent with the Project Standards and the standards maintained in similar luxury condominium buildings in Manhattan by the Unit Owner thereof at its sole cost and expense. Each Unit Owner shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection with the foregoing maintenance obligations. Each Unit Owner shall have the affirmative duty to Maintain its respective Unit in such a manner so as to prevent and avoid causing damage to or impairing the use of the other Unit, Common Elements or the Building, including, without limitation, providing necessary services and utilities to its respective Unit (such as heat and water) to the extent the provision of such services and utilities is necessary to the proper functioning of another Unit, the Common Elements or the Building.

6.10.1 Each Unit Owner shall have the right, pursuant to the terms of the Declaration but subject to the provisions of this Section 6.10, to make any alterations, additions, improvements, or repairs in or to its Unit, whether structural or non-structural, ordinary or extraordinary (collectively the "Unit Work"). In the event a Unit is subdivided, any work in the Resultant Unit shall be deemed to be Unit Work and subject to the applicable provisions hereof.

6.10.2 Each Unit Owner, at its expense, shall (x) obtain and keep in effect during the course of the Unit Work, all necessary municipal and other governmental permits, authorizations, approvals and certificates for the commencement and prosecution of its Unit Work and shall obtain final approval thereof upon completion (including, without limitation, such revisions to the certificate of occupancy as may be required), and deliver copies of the same to the Condominium Board for Unit Work (y) obtain such insurance coverage as required in Section 6.2.1(iv) of these By-Laws and (z) if the Condominium Board determines (acting through the Unit Owners which are not performing such Unit Work) that any Unit Work so requires, cause the Declaration to be amended and new Floor Plans to be filed (by those Persons designated by the Condominium Board to prepare such amendment or file such amended Floor Plans) at the sole cost of the Unit Owner undertaking such Unit Work. To the extent such Unit Work requires plans or permits, the Unit Owner undertaking such work shall provide the Condominium Board with copies thereof. The Condominium Board shall cooperate with a Unit Owner and, at such Unit Owner's expense, execute all applications, authorizations and other instruments reasonably required to enable such Unit Owner to obtain such permits, authorizations, approvals and certificates, provided the Condominium Board receives the indemnity referenced in Section 6.10.6 below. The Unit Owner undertaking the Unit Work shall reimburse the Condominium Board for all reasonable fees and expenses incurred by the Condominium Board within thirty (30) days of receipt of an invoice, in connection with necessary and reasonable inspections of the Unit Work to determine whether the same is being or has been performed in accordance with the approved plans and specifications therefor and all requirements of (i) applicable Legal Requirements; (ii) insurance carriers providing insurance

coverage pursuant to Section 6.2; (iii) the Declaration; and (iv) these By-Laws (including, with respect to Unit Work which may affect the Building structure, systems or exterior, the fees and expenses of any architect or engineer employed for such purpose). Any costs of the Condominium Board associated with the Unit Work including, but not limited to, the costs set forth above, shall be deemed "Related Costs."

6.10.3 No work (x) involving any structural alterations or improvements or (y) impacting any Building System, any other Unit or any Common Element (such work hereinafter referred to as "Notice Work") shall be commenced by or on behalf of a Unit Owner (the "Performing Unit Owner"), including without limitation, any such work to be performed by a tenant or occupant of all or any portion of such Unit, until the Condominium Board and the Impacted Owners shall have been furnished with (i) certificates of insurance indicating that the insurance coverage then required by the Condominium Board to be carried during the making of any Unit Work is in effect and otherwise in compliance with Section 6.2 of these By-Laws, (ii) in the case of Notice Work, a certification of the architect or engineer for the Notice Work stating that such Notice Work will not adversely effect (A) the structural integrity of the Building or the other Unit, (B) the Building Systems or such Common Elements (iii) in the case of Notice Work involving noise, odor or vibrations, a certification of the architect or engineer for the Notice Work stating that such Notice Work will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by tenants) and (iv) all necessary permits, authorizations, approvals and certificates required for the commencement of the Notice Work (the provisions of subparagraphs (i) through (iv) are hereinafter referred to as the "Work Conditions"). Notwithstanding anything to the contrary herein, the provisions of this Section 6.10.3 do not apply to work other than Notice Work.

6.10.3.1 Except in case of an Emergency (in which event the Performing Unit Owner shall use commercially reasonable efforts to notify the Condominium Board and the Impacted Owners as soon as possible), a Performing Unit Owner shall not commence Notice Work unless (i) the Performing Unit Owner has given at least fifteen (15) days prior written notice to the other Unit Owners of its intent to perform the Notice Work (the "Work Notice") which Work Notice shall include a set of plans of the Notice Work for the Notice Work and (ii) the Performing Unit Owner has (x) not received written objection thereto from any affected Unit Owner or the Condominium Board or the Board, as the case may be, pursuant to Section 6.10.3.2 of these By-Laws within the fifteen (15) day period set forth therein, (y) received consent from any affected Unit Owner with respect to the Notice Work, or (z) received a written Arbitration determination in accordance with Section 6.10 of these By-Laws authorizing the Performing Unit Owner to perform the Notice Work.

6.10.3.2 In connection with the review of such Notice Work by the Impacted Owners and/or the Condominium Board the Performing Unit Owner shall be obligated to reimburse the Impacted Owners and/or the Condominium Board for all reasonable costs and fees associated with the review of the Unit Work prior to the commencement of the Unit Work. The Impacted Owners and/or the Condominium Board may, within fifteen (15) days of receipt of a Work Notice, submit a written objection to the proposed Notice Work to the Performing Unit Owner setting forth in detail, the basis for such objection. If such an objection is submitted and not resolved by the Unit Owner, the proposed Notice Work may only be performed if the matter

is submitted to Arbitration for a determination of whether the Notice Work will satisfy the requirements of Section 6.10 including without limitation, the Work Conditions. The Impacted Owners and/or the Condominium Board receiving the Work Notice shall only have the right to submit a written objection if the proposed work will materially and adversely effect its Unit, have a material adverse effect on the Common Elements, Building Systems or access to and from the Unit and/or any services provided to such Impacted Owners or the Condominium Board. In the event the other Impacted Owner(s) or the Condominium Board receiving the Work Notice does not make a written objection to the Notice Work within the 15-day period set forth in this Section 6.10, such Impacted Owner(s) or the Condominium Board will be deemed to have waived any objections and the Performing Unit Owner shall be authorized to perform the Notice Work, subject to compliance with these By-Laws.

6.10.3.3 Once any Unit Work or Notice Work is commenced, such work shall be completed with reasonable diligence and designed and undertaken in such manner as not to unreasonably delay or impose any expense upon the Condominium Board or the other Unit Owners in the construction, Maintenance, cleaning, repair, safety, management, security of operation of the Building, or any part thereof, and so as not to unreasonably interfere with, or cause unreasonable interruption of, the operation and Maintenance of the Building, or any part thereof, or cause unreasonable annoyance to, or unreasonable interference with, the use and occupancy of the Building and the other Unit by Permitted Users (including, without limitation, causing unusual noise or vibrations). No Unit Work or Notice Work may jeopardize the soundness or structural integrity of any Unit or the Common Elements or the safety of any Permitted Users or involve commercially unreasonable levels of noise, odors or vibrations (taking into account the fact that portions of the Building may be occupied by tenants). Any dispute hereunder shall be resolved by Arbitration.

6.10.4 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to perform any work (including, without limitation, structural alterations, additions, improvements or repairs) or to obtain any amendment to the existing certificate of occupancy to reflect such work or any reconfiguration of a Unit and/or a change in use) in or to any Unit may be submitted by a Unit Owner and, if required by Law or such department or authority, be executed by the Condominium Board provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any Unit Owner, contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any Person having any claim for injury to person or damage to property arising therefrom and the Unit Owner undertaking such structural alterations, additions, improvements or repairs (or an entity reasonably acceptable to the Condominium Board, including, without limitation, any tenants or occupants of such Unit Owner) shall, in addition to the indemnity provided in Section 6.10.6, indemnify and hold the Condominium Board the members of the Condominium Board, the officers of the Condominium Board, the Managing Agent(s) and the other Unit Owners harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such application.

6.10.5 Each Unit Owner shall:

6.10.5.1 Give prompt notice to the Condominium Board of any written notice of violation received by said Unit Owner arising from or otherwise connected to the Unit Work or Notice Work performed by it or on such Unit Owner's behalf, which shall be issued by any public authority having or asserting jurisdiction over the Unit or Building, and, upon receipt of notice from the Condominium Board or otherwise acquiring knowledge thereof, promptly procure the cancellation or discharge of the same at its expense; provided, however, nothing herein shall prevent a Unit Owner from contesting in good faith and at its own expense any such notice of violation.

6.10.5.2 Within ninety (90) days after a Unit Owner receives notice from the Condominium Board or otherwise acquires knowledge of the filing of any lien or violation resulting from such Unit Owner's Unit Work performed by it or on its behalf, such Unit Owner shall discharge, by payment, bond or otherwise, such mechanics' liens or other liens or violations filed against the Building or its Unit for work, labor, services or materials claimed to have been performed at or furnished to such Unit Owner's Unit as aforesaid for or on behalf of such Unit Owner or otherwise. If a Unit Owner shall fail to so discharge any such lien within such thirty (30) day period, the Condominium Board, or the other Unit Owner shall have the right, but not the obligation, to do so at the expense of such Unit Owner and any such expenditure shall be a Unit Owner Expense, the collection of which shall subject to all of the remedies set forth in these By-Laws.

6.10.5.3 Neither the Condominium Board, nor the Unit Owners (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing or permitting any of the same to be made) shall incur any liability, cost or expense (i) in connection with the preparation, execution, or submission of the applications referred to in this Section 6.10; (ii) to any contractor, subcontractor, materialman, architect or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any other Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. A Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to its Unit shall, indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium Board, the Managing Agent and the other Unit Owner harmless from and against any liability, cost and expense (including, reasonable attorneys' fees) arising from or in connection with such work, except to the extent caused by the willful misconduct or gross negligence of any such indemnified party.

6.10.5.4 Each Unit Owner shall be responsible for maintaining the HVAC system and equipment in his or her Unit and shall, twice each year, have the system serviced by a service provider approved by the Board. In the event a Unit Owner fails to have the HVAC system and equipment in their Unit serviced, the Board shall have the right, but not the obligation, to arrange to have it done at the Unit Owner's cost and expense.

6.10.6 Notwithstanding any other provision of these By-Laws to the contrary:

6.10.6.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse, neglect or willful acts or omissions of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of such Unit Owner, the entire

cost thereof shall be borne by such Unit Owner or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.10.6.2 In the performance of Unit Work, to the extent a Unit Owner needs to access Common Elements, said Common Elements must be restored to the condition they were in prior to the performance of such Unit Work at the performing Unit Owner's sole cost and expense.

6.10.6.3 The public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to the Common Elements and (b) the Unit Owners with respect to the Units.

6.10.6.4 Except as otherwise expressly provided in the Declaration or these By-Laws, all Maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (except as otherwise provided in these By-Laws) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense; or (b) in or to the Common Elements shall be made by the Condominium Board.

6.10.6.5 Upon the written request of a Unit Owner, the Condominium Board shall, at the sole cost of such requesting Unit Owner, execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner reasonably 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 Condominium Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration thereof and which would not adversely effect the other Units or the Common Elements, or otherwise violate the Declaration or these By-Laws, and (ii) any consent, covenant, restriction, or easement, or any amendment thereto, affecting the Unit which the Unit Owner reasonably deems necessary or appropriate and which would not adversely effect the other Units or the Common Elements or otherwise violate the Declaration or these By-Laws; *provided*, in each such case it shall have received an indemnity in form and substance acceptable to the Condominium Board, and from a creditworthy entity acceptable to the Condominium Board in its reasonable discretion, indemnifying the Condominium Board and the other Unit Owner from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Condominium Board in connection with the foregoing shall be paid by the Unit Owner making such request and shall be deemed a Unit Owner Expense.

6.11 **Performance of Work in Common Elements.**

6.11.1 Except as otherwise expressly provided herein, the Condominium Board shall be solely responsible for and shall operate and Maintain the Common Elements and any appurtenances thereto, including but not limited to, the public areas adjacent to the Building, in good order and repair in a manner consistent with the Project Standards and standards of similar

buildings in Manhattan. Whenever in the judgment of the Condominium Board, the Common Elements require Maintenance and/or replacement (the "Common Element Work"), the Condominium Board shall proceed with the Common Element Work. Notwithstanding the foregoing, (i) any determination by the Condominium Board to perform Common Element Work costing in excess of $25,000 shall be subject to the following competitive bid process: at least two competent contractors shall be invited to bid pursuant to this Section, which contractors shall be selected by the Condominium Board. The contractor which presents the most competitive and favorable bid (which bid need not be the lowest bid) in the reasonable opinion of the Condominium Board shall be engaged by the Managing Agent to do the work in question.

6.11.2 If any Common Element Work shall be required in order to comply with applicable Legal Requirements, such Common Element Work, as applicable, shall be performed by the Condominium Board and shall be payable by the Unit Owners as Common Charges or a special assessment, as the case may be.

6.12 **Structural Alterations, Additions, Improvements and Repairs of Units.**

6.12.1 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to the Unit Owner's Unit without the prior written approval of the Board. The Board shall have the obligation to answer any written request for approval of a proposed structural alteration, addition, improvement or repair in or to a Unit Owner's Unit within 30 days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair unless the alteration, addition, improvement or repair will violate the Project Standards. 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 Unit, the Board may exercise the right to reasonably approve the Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Board may impose fees upon a Unit Owner to reimburse the Condominium Board for their costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this 6.12.1, neither Declarant nor its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of the Board for any structural alteration, addition, improvement or repair in or to Unsold Units or enter into any alteration agreement with respect thereto.

6.12.2 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.12.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the appropriate

Board shall, if required by law or such department or authority, be executed by said Board or, if required, by the Condominium Board, provided that no Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Declarant, shall execute the Required Documentation.

6.12.4 In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely effect, or create a significant risk of materially delaying, preventing or adversely effecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant, the Condominium Board whose Unit Owners are affected, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.12.5 Until such time as the initial construction of the Building is complete, including the completion of "punch list" work, no Board or Unit Owner shall use or suffer to be used in any part of the Building any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Building.

6.13 **Alterations, Additions, Improvements to Common Elements**. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements, in or to any Common Element shall be made by the Board or Unit Owner(s) required to maintain such Common Element and the cost and expense thereof shall be charged to the Unit Owners as a General Common Expense, or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Condominium Board, the cost of any alteration, addition, or improvement would exceed $250,000 in the aggregate in any calendar year (except if such alteration, addition, or improvement is provided for in a duly approved budget or if required by Legal Requirements), then such proposed alteration, addition, or improvement shall not be made unless first approved by a Majority of Unit Owners, as the case may be, who shall be required to bear the cost and expense thereof as aforesaid with respect to alterations, additions, or improvements made by the Condominium Board, as the case may be. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, or improvements costing in the aggregate $250,000 or less in any calendar year may be made as aforesaid without

the approval of the Unit Owners. Required repairs to the Common Elements including replacement of existing elements of the Building shall be made by the Board in its own discretion regardless of the cost. All alterations, additions, improvements and repairs to Common Elements shall be made in compliance with Project Standards.

6.14 **Alterations of Certain Common Elements.**

6.14.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.14 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board or Unit Owner (referred to in this Section 6.14 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.14.2 Nothing contained in 6.14.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.15 **Restrictions on Use of Units.**

6.15.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used as described below.

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

shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above; (A) the designated officer, director, shareholder, partner, member, fiduciary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any foregoing. All of the foregoing are "Permitted Users."

6.15.1.2 A Unit may be used for any purpose permitted by law including an incidental business use, provided such use (1) does not violate the then existing certificate of occupancy for such Unit, (2) does not adversely effect the use and enjoyment of neighboring or adjacent Units for residential purposes, and (3) complies with all applicable governmental regulations. Incidental business use is acceptable only so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside of the residence; (b) the business activity does not involve visitation of the Unit by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residence without business activity; (c) the business activity is legal and conforms to all zoning requirements for the Condominium; (d) the business activity does not increase traffic in the Condominium in excess of what would normally be expected for Units in the Condominium without business activity; (e) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as determined at the discretion of the Condominium Board; (f) the business activity does not result in a materially greater use of Common Elements or other facilities at the Condominium; (g) the business activity does not increase the insurance premium paid by the Condominium Board or otherwise negatively affect the ability of the Condominium Board to obtain insurance coverage; and (h) there are no signs, advertisements or plaques of any type visible from the exterior of the Unit.

6.15.1.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.15.1) may be accommodated therein.

6.15.1.4 Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Unit Owners shall not remove the

window limit stops from the windows in the Units. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Condominium Board" for further details.

6.15.1.5 Unit Owners shall not take any action in their Units that would violate the collective bargaining agreement in effect in the Condominium.

6.15.2 Notwithstanding the provisions of 6.15.1, Declarant or its designee may, without the permission of the Board, (a) grant permission for the use of any Unsold Unit or for any purpose, provided such use is permitted by law, does not violate the applicable deed restrictions, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable governmental laws and regulations.

6.15.3 The Condominium Board may, in its sole discretion, consent to the use of a Unit as a professional or business office or for any purpose provided that the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph 6.15.1.

6.15.4 Except for Declarant or its designees, no Owner or other occupant of a Unit shall represent to the public that such person is a real estate broker or sales agent that is (a) the "official" broker/sales agent for the Condominium or (b) has the endorsement of the Condominium Board to broker the purchase or sale of Units at the Property.

6.15.5 All alterations to a Unit or services for a Unit Owner shall be performed in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of the Condominium employees, or contractors or subcontractors employed in the Units or the Building (which may result from, among other things, the use of non union labor); and in all events, in compliance with the Declaration, the Condominium By-Laws, the Rules and Regulations, the Project Standards and applicable laws.

6.15.6 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an occupant in strict compliance with applicable Law. No occupant or tenant of any portion of the Building shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, except in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation,

infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Hazardous Substances shall not include an any customary cleaning solutions as long as same are stored and used as required by Law. The Condominium Board shall have all remedies available at law or equity, including, without limitation, injunctive relief.

6.16 **Use of Common Elements.**

6.16.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.16.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the Common Elements other than in the areas designated as storage areas, without the prior consent of the Condominium Board as to Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.16.3 Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Board for transporting packages, merchandise or other objects.

6.16.4 The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys his or her Unit to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.17 **Other Provisions as to Use.**

6.17.1 No nuisance shall be allowed in the Building nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Building or any portion thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be

complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.17.2 The Board may, in its discretion, grant permission for the use of a Unit for a use other than its original intended use, provided such use is permitted by law or court order, does not violate the then existing certificate of occupancy for such Unit, these By-Laws or the Declaration, and the Unit Owner thereof complies with all Legal Requirements. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.17.3 Declarant or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law or court order, does not violate the then existing certificate of occupancy for such Unit, and the user of such Unit complies with all applicable Legal Requirements; (b) use any one or more Unsold Units as models and sales and/or leasing offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable legal requirements; and (c) lease Unsold Units to any party(ies).

6.17.4 Each Unit Owner shall promptly comply with all legal requirements applicable to its Unit.

6.18 **Right of Access.**

6.18.1 A Unit Owner shall grant a right of access to his or her Unit to the Declarant or its designees for the completion of the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Board, the managing agents, managers, Resident Manager and/or any other person authorized by any of the foregoing. The Unit Owners shall, grant a right of access to the Units to the Condominium Board, the managing agent, and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in his or her Unit and threatening another Unit or all or any part of the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements within his or her Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements, his or her Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and occupants of the Units or with the use of the Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.18.2 A Unit Owner shall grant a right of access to his or her Unit, and the Board shall grant rights of access to the Common Elements to Declarant and its designees, and its contractors, subcontractors, agents and employees, for the completion of punch list work, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.19 **Rules and Regulations**. Annexed hereto as Schedule A to these By-Laws and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements. The Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Board shall also have the authority to promulgate special rules and regulations concerning the use of Storage Bins or Storage Closets, for the personal property of the Unit Owners. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof.

6.20 **Real Estate Taxes, Water Charges and Sewer Rents.**

6.20.1 Water and sewer services shall be supplied to and for all of the Units through one or more building systems by the City of New York. Except to the extent Unit Owners are billed directly by the City or its agencies, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. The remaining costs for the Building will be paid by the Unit Owners and included in Common Charges. Until the Units are separately assessed for real estate tax purposes, Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion to their respective Common Interests) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event of a proposed sale of any Unit, the Board, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as the Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20.2 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Units on behalf of and as agent for the respective Unit Owners thereof, but only with respect to such Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such

reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.21 **Heat**. Heat for the Building shall be supplied by steam from the Con Edison and the charges therefor shall be paid by the Board.

6.22 **Gas**. Gas will be supplied by the Con Edison gas distribution system and charges therefor shall be paid by the Board based on their respective submetered usage.

6.23 **Electricity.**

6.23.1 Electricity for each Unit shall be supplied through a separate electric meter for each Unit (or portion thereof). However, the Board, at its sole discretion, shall have the right to require that electricity be supplied through one or more electrical meters and that the cost thereof be borne by each Unit Owner based upon sub-metering or any other reasonable basis, as determined by the Board. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit (or portion thereof) directly to the utility company, except that in the event that a Board has elected to sub-meter electricity to each Unit, then in such event each such Unit Owner shall be required to pay bills for electricity consumed or used in his Unit either to the appropriate Board or to the utility company as directed by the Board.

6.23.2 In the event the Property is submetered, no Unit Owners will be charged an amount (including any charge for billing costs) which exceeds the rate contemporaneously paid by customers who are served directly by the utility company and who are in the service classification that would be applicable if the Unit Owners were served directly by the utility company.

6.23.3 A Unit Owner who has a complaint about his or her submetered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within 30 days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to arbitration proceedings which shall be conducted in accordance with the rules of the American Arbitration Association. The cost of such arbitration shall be paid by the Condominium Board. The American Arbitration Association shall be asked to appoint the arbitrator.

6.23.4 The arbitrator shall be obliged to provide a full and fair hearing within 15 days of the filing of the complaint with the arbitrator, unless the Unit Owner requests a longer period to prepare his case. At the hearing, both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within 10 days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records

on all such complaints and decisions shall be maintained by the Condominium Board for at least 3 years from the date the complaint is first brought.

6.23.5 Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an arbitration is pending or proceeding, the complaining Unit Owner must continue to pay his or her electricity bill to the Condominium Board or its agent. Failure to make any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

6.23.6 Rates and charges to be paid by Unit Owners shall be based on the actual cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner the actual cost of providing an electricity billing statement charged by the Managing Agent or a submetering company. The capital and repair costs of the electronic submetering equipment will not be passed on to Unit Owners as part of their individual charges for electrical service. The capital costs of submetering the Property have been included in the purchase price for each Unit. Any costs for repair of the submetering system will be treated as a Common Expense of the Condominium and paid for through Common Charges.

6.23.7 Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.24 **Utilities Serving the General Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, electricity and gas serving or benefiting any Common Element shall be (a) considered part of the expense of maintaining such Common Element, (b) determined by the Condominium Board, and (c) charged as a Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.25 **Violations.** If notice of a municipal or other violation of applicable Legal Requirements is given or filed in respect of any portion of the Property as a result of the alleged or actual act of or failure to act by one Unit Owner or its tenants, subtenants or invitees (the "Violating Unit Owner") and such violation (1) jeopardizes the full force or effect of any certificate of occupancy issued for the Property, (2) materially adversely effects any other Unit Owners' right to occupy, use, enjoy and improve its Unit or Limited Common Elements or any part thereof, (3) results in the imposition of a lien against the Property as a whole or any other Unit Owner's Unit, (4) such violation results in a notice of violation, premium increase or otherwise from any insurance provider for any insurance required hereunder or (5) would create criminal liability for the other Unit Owners or the Condominium Board (in such other Unit Owner's and/or the Condominium Board's reasonable opinion, as the case may be), the Violating Unit Owner shall remove such violation within sixty (60) days of receipt of notice from such other Unit Owner and/or the Condominium Board, provided, however, if the Violating Unit Owner has commenced and been diligently prosecuting the removal of the violation within the sixty (60) day period, the period shall be extended for such additional time as is reasonably

necessary to remove the violation. Any time a Violating Unit Owner is otherwise required under this Section to remove a violation, such Violating Unit Owner shall nevertheless not be required to remove the violation if upon prior notice to the Condominium Board, and the other Unit Owners, and at its own expense, it is contesting by appropriate legal or administrative proceedings or redress, promptly initiated and conducted in good faith and with due diligence, the validity or enforceability, in whole or in part, of the applicable Legal Requirement giving rise to the violation, provided the following conditions are met: (i) such proceeding shall suspend the obligation of the Violating Unit Owner to comply with any such Legal Requirement, (ii) failure to comply with any such Legal Requirement pending the contest will not invalidate or vitiate any insurance required hereunder to be maintained with respect to the Property, in whole or in part, and will not, in the reasonable opinion of the other Unit Owner and/or the Condominium Board, constitute a present danger to the Property, or any portion thereof, or to the persons using and entering upon the Property, (iii) neither the Property nor any part thereof or interest therein will in the reasonable opinion of the other Unit Owner and/or the Condominium Board be in danger of being sold, forfeited, confiscated, terminated, canceled or lost as a result of such contest by the Violating Unit Owner (whether by foreclosure of any mortgage thereon or otherwise), (iv) the Violating Unit Owner shall have furnished such security as may be required in the proceeding, or in the event that none is required, as may be reasonably required by the Condominium Board to insure the payment by the Violating Unit Owner of all costs of compliance, fines and penalties, together with interest thereon, as may be incurred by the Violating Unit Owner in the event of a determination in such proceeding adverse to the Violating Unit Owner, and (v) the other Unit Owners and the Condominium as the case may be, will not, in their reasonable opinion, be subject to any criminal liability as the result of such contest by the Violating Unit Owner. If any compliance with this Section shall require any repairs to, or which otherwise affect, the Common Elements, such repairs shall be performed by the Condominium Board pursuant to Section 6.10 hereof and the cost thereof shall be deemed to be part a Common Expenses charged to the Unit Owners, unless the reason for such repairs is solely the fault of one Unit Owner, in which event all such costs shall be charged to the applicable Unit Owner as a Unit Owner Expense.

6.26 **Liens**. Each Unit Owner (the "Liening Unit Owner") shall cause to be removed, by payment, bond or otherwise, within ninety (90) days after notice of the filing thereof, any mechanics', materialmen's or any other like lien arising by reason of its acts or acts of its agents and contractors or for any work or materials which it or its agents, contractors, tenants, subtenants or invitees has ordered and filed against the Property or any other Unit Owners' Unit. Except as may be otherwise expressly set forth in the loan documentation evidencing a Permitted Mortgagee's loan to the Liening Unit Owner, the Liening Unit Owner shall not be required to remove such lien if such lien does not expose the other Unit Owners and/or the Condominium Board to civil and criminal penalties and does not cause the foreclosure of any Permitted Mortgage on any other Unit Owners portion of the Property, and within said ninety (90) day period the Liening Unit Owner (i) shall in good faith diligently proceed to contest the same by appropriate proceedings and shall give notice to the other affected Unit Owners and the Condominium Board of its intention to contest the validity of such lien and (ii) shall deliver to the other affected Unit Owners and the Condominium Board, at such Unit Owners' and/or the Condominium Board's, either: (a) cash or a surety bond from a responsible surety company reasonably acceptable to the Condominium Board, in an amount not less than one hundred ten percent (110%) of the lien claim and all interest and penalties then accrued thereon or such greater amount as may be required by Law or (b) such other security or indemnity reasonably acceptable

to the Condominium Board and/or the other Unit Owners and its recognized mortgagee, if any. The Liening Unit Owner must cause to be removed or released all liens prior to foreclosure thereof. In the event the Liening Unit Owner fails to comply with the foregoing provisions of this Section, the other Unit Owners and/or the Condominium Board may give notice to the Liening Unit Owner specifying the respect or respects of such noncompliance and if, upon the expiration of ten (10) days after the receipt of such notice, the cure of any such noncompliance is still not proceeding diligently, then the Condominium Board and/or the non-defaulting Unit Owners may cause such compliance to occur by taking all appropriate steps necessary to defend against or remove such lien. The Condominium Board and the non-defaulting Unit Owners shall be entitled to payment from the Liening Unit Owner for all costs and expenses (including reasonable attorneys' fees) paid or incurred by the Condominium Board and/or the non-defaulting Unit Owners, as the case may be, in defending against, removing or attempting to defend against or remove such lien and may use any security delivered to the Condominium Board and/or any non-defaulting Unit Owners for such purposes and for any other damages from the Liening Unit Owner's breach under this Section and failure to pay any such amounts shall be subject to the same remedies set forth in Section 6.6 hereof. NOTHING CONTAINED IN THIS SECTION IS INTENDED TO GIVE OR CONFER ANY BENEFITS, RIGHTS, PRIVILEGES, CLAIMS, ACTIONS OR REMEDIES TO ANY PERSON AS A THIRD PARTY BENEFICIARY UNDER ANY LAWS OR OTHERWISE AND THE PERFORMANCE OF WORK ON ONLY ONE UNIT OWNER'S UNIT SHALL IN NO WAY BE DEEMED TO GIVE THE PARTY PERFORMING SUCH WORK THE RIGHT TO ATTACH A LIEN AGAINST THE OTHER UNIT OWNERS' UNITS OR THE CONDOMINIUM.

6.27 **Abatement and Enjoinment of Violations by Unit Owners.**

6.27.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board with respect to matters affecting the Common Elements, the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.27.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.28 **Reimbursement of Condominium Expenses**. A Unit Owner shall reimburse the Condominium for all expenses incurred by the Condominium (including but not limited to legal

fees, disbursements and the cost of collection) as a result of the Unit Owner's failure to comply with the Declaration, these By-Laws or the Rules and Regulations.

## ARTICLE 7
## MORTGAGES

7.1 **Notice to Board**. A Unit Owner who mortgages his or her Unit, or the holder of any mortgage encumbering such Unit, shall notify the Board in the case of a Unit, of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against his or her Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 **Notice of Default and Unpaid Common Charges**. Whenever so requested in writing by a Permitted Mortgagee, the Board with respect to Permitted Mortgagees of Units, shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to the Board's knowledge then exist. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

7.3 **Performance by Permitted Mortgagees**. The Condominium Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 **Examination of Books**. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

7.5 **Representatives of Mortgagees.**

7.5.1 In the manner more particularly set forth in 7.5.2, the holders of Institutional Mortgages may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, as appropriate, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages, as the case may be. As used herein, the term "Institutional Mortgage" means an Institutional Mortgage (defined below) covering a Unit or Units. As used herein the terms "Permitted Mortgage" and "Institutional Mortgage" means any mortgage covering any Unit of Declarant, its designees and affiliates and any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its

designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, respectively, constituting a majority in principal amount of all Institutional Mortgages shall be binding upon the holders of all Institutional Mortgages, as the case may be. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board. Unless otherwise required by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives, pursuant to the Declaration or these By-Laws.

7.6 **Consent of Mortgagees**. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

7.7 **Rights of Permitted Mortgagees and Rights of Guarantors of a Mortgage.**

7.7.1 Each Permitted Mortgagee and the guarantor of the mortgage on any Unit (collectively "Mortgagee") in the Condominium shall be given written notice within ten (10) days of:

7.7.1(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Mortgagee's mortgage;

7.7.1(b) Any 60-day delinquency in the payment of assessments or Common Charges owed by the owner of any Unit on which the Mortgagee holds the mortgage;

7.7.1(c) A lapse, cancellation, or material modification of any insurance policy maintained by the Condominium or the Board unless said policy is simultaneously replaced; and

7.7.1(d) Any proposed action that requires the consent of the holders of a specified percentage of mortgages.

7.7.2 A Permitted Mortgagee who obtains title to a Condominium Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid regularly budgeted Common Charges accrued before the acquisition of title to the Unit by the Permitted Mortgagee. If the Condominium Board's lien priority includes costs of collecting the unpaid Common Charges, the lender will be liable for any fees or costs related to the collection of the unpaid common charges.

7.7.3 No provision in these By-Laws shall give a Unit Owner or any other party priority over the rights of the first mortgagee of the Condominium Unit pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or taking a Unit and/or Common Elements.

7.7.4 Any amendment to these By-Laws of a material nature to Permitted Mortgagees shall be agreed to by mortgagees that represent at least 51% of the Common Interests that are subject to mortgages.

7.7.5 Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to by mortgagees that represent at least 51% of the Common Interests that are subject to mortgages.

7.7.6 Implied approval shall be assumed when a Mortgagee fails to submit a response to any written proposal for an amendment within 60 days after the Mortgagee receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

7.7.7 The right of first refusal contained in Article 8 hereof will not adversely effect the rights of a mortgagee or its assignee to: a) foreclose or take title to a Condominium Unit pursuant to the remedies in the mortgage; b) accept a deed or assignment in lieu of foreclosure in the event of a default by a mortgagor; or c) sell or lease a Unit acquired by the Mortgagee or its assignee.

## ARTICLE 8
## SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing**. No Unit Owner, other than Declarant or its designee may sell or lease his or her Unit except by complying with the following provisions:

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase his or her Unit together with its appurtenant Common Interest, or (b) lease his or her Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he or she intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended Closing Date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as the Board may reasonably require. The giving of such notice to the Board, on behalf of all the Unit Owners represented by the Board, shall constitute an offer by such Unit Owner to sell his or her Unit together with its appurtenant Common Interest or to lease his or her Unit to the Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board acting on behalf of all Unit Owners that such Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later

than twenty (20) days after receipt of such notice together with such information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2 In the event the Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Board, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. Notwithstanding the foregoing, in the event that the Closing Date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Board referred to in 8.1.1 as the intended Closing Date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Board, or to its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the Closing Date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree

Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide for a term of not less than one (1) year and that the lease may not be materially modified, amended or extended without the prior consent in writing of the Board, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Unit to Declarant or its designee). Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units, without having to first offer the same for sale or lease to the Board.

8.1.8 On the closing of the sale of each Unit, the purchaser shall make a non-refundable contribution to the Condominium's working capital fund (the "Working Capital Fund") equal to two (2) month's Common Charges. The Working Capital Fund shall only be used by the Board to pay closing adjustments at the First Closing or to make repairs or replacements to the Common Elements.

8.1.9 Notwithstanding anything contained in this Article 8 to the contrary, the Condominium Board shall have the right to reject the purchase or lease of a Unit without the necessity of exercising a right of first refusal if the Purchaser or lessee of a Unit or a person who will be residing in their unit has diplomatic immunity or has been convicted of a violent crime or child molestation.

8.2 **Consent of Unit Owners to Purchase or Lease Units by the Board**. The Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners, unless the Board is assigning its rights to a third party including another Unit Owner or a member of the Board and the Condominium will not incur any expense as a result, in which event Unit Owner approval is not required. However, the Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 **No Severance of Ownership.**

8.3.1 No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 **Release by the Board of Right of First Refusal**. The right of first refusal contained in 8.1 may be released or waived by the Board only in the manner provided in 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3.

8.5 **Certificate of Termination of Right of First Refusal**. A certificate executed by an officer of the Board stating that the provisions of 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board, and that as a result thereof the rights of the Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to 8.1.3), shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of 8.1.1 have, in fact, terminated.

8.6 **Financing of Purchase of Units by the Board**. The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to his respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant Common Interest.

8.7 **Exceptions**. The provisions of 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to his or her spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant or its designee, or an owner of an Unsold Unit (c) the Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, (e) a Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction, or (f) to a Permitted User; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

8.8 **Gifts and Devises, etc**. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article 8.

8.9 **Unauthorized Sales or Leases of Units**. Any purported sale or lease of a Unit consummated in violation of Section 8.1 or 8.3 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 **Charges Imposed on Sale or Lease of Units**. The Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Unit to Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units. Upon the acquisition of a Unit, Purchasers of Units shall also pay to the Board two months common charges as a non-refundable contribution to the Working Capital Fund.

8.11 **Power of Attorney**. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the New York City Register's Office, the Unit Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 **Notices Concerning Unit Occupancy**. Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the

purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.13 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common**. In the event that any Unit shall be acquired by the Condominium Board, or their respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 **Payment of Assessments**. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board all unpaid Common Charges theretofore assessed by said Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit other than Permitted Mortgages.

8.15 **Mortgage of Units**. Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that, with respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Board of the making of such mortgage.

8.16 **Lease or Purchase of Unit or Other Apartment for Resident Manager's Residence**. The Condominium Board shall have the right to lease or purchase a Unit or other apartment for the Resident Manager's use and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

8.17 **Transfer of Units to Trusts and Other Entities**. No Unit shall be transferred to a trust or any other entity unless the condominium receives, prior to or at the Closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the owner and the Condominium, (b) a written designation by the purchaser of an agent for service of process in New York City, (c) a guaranty of the common charges and assessments signed by an individual on behalf of the entity purchasing the unit and (d) an occupancy agreement identifying who will be residing in the Unit.

8.18 **Transfer of Interests in Entities Owing Units**. In the event a Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

## ARTICLE 9
## CONDEMNATION

9.1 **Takings in General**. If the Condominium Board or any Unit Owner receives notice that all or any part of the Property has been or is to be taken through the exercise of the power of eminent domain under applicable Law (a "Taking") or becomes aware of any actual or threatened commencement of any proceeding for the condemnation of all or any portion of the Property, the Condominium Board, or Unit Owner, as applicable, shall so notify the other Unit Owners, and the Condominium Board, as applicable. The Condominium Board shall on behalf of

the Unit Owners, prosecute the claims for the Award (as defined below). If such Taking is not of Substantially All the Property (as defined below in Section 9.4), then any restoration, reconstruction, or alteration required in connection with such Taking shall be performed with due diligence and in as timely a manner as practicable under the circumstances in accordance with the provisions of this Article. "Award" shall mean the award for damages or compensation payable on the basis of, or attributable to, a Taking, and, in the case of a Taking of less than Substantially All of the Property, shall include any award (or portion thereof) payable on the basis of restoration or other work necessitated by the Taking, but not including any separate claim by any Unit Owner or their respective tenants for personal property, trade fixtures, moving or relocation costs. "Net Award" shall mean the Award less all reasonable fees and expenses incurred by the Unit Owners and the Condominium Board in collecting the Award.

9.2 **Immaterial or Temporary Taking.** In the event of an immaterial Taking (e.g. a Taking in connection with a street widening which does not affect the Building), the Net Award shall, following payment of any amounts required in connection with any restoration in connection with such Taking, be disbursed to the Unit Owners in accordance with their respective Common Interests. In the event of a temporary Taking, the Net Award will be allocated to the Unit Owners based upon the portion of each Unit, as applicable, that is so taken.

9.3 **Material Takings.** In the event of a material Taking that does not constitute a Taking of Substantially All of the Property (as hereinafter defined), the Unit Owners shall cooperate to repair and restore the remainder of the Building in accordance with the applicable provisions of this Article.

9.4 **Taking of Substantially All of the Property.** In the event of a Taking of Substantially All of the Property, the Net Award shall be disbursed to the Unit Owners based upon their respective Common Interests. A Taking of "Substantially All of the Property" shall mean (i) such portion of the Property as, when so taken, would leave a balance of the Property that, due either to the area so taken or the location of the part or parts so taken in relation to the part or parts not so taken, would not, under economic conditions, zoning laws and building regulations then existing, readily accommodate a new or reconstructed building or buildings of a type and size generally similar to the Building existing at the date of Taking or (ii) a Taking of more than ten percent (10%) of the square footage of the Building (exclusive of any tenant build outs and other similar improvements to the interior components of the Units), as determined by the Certifying Professional in accordance with Section 9.8 of these By-Laws unless the Condominium Board agrees to repair and restore the Property as a result of such Taking in which event such Taking shall not be deemed to be a Taking of Substantially All of the Property.

9.5 **Obligation to Restore.** Except in the event of a Taking of Substantially All of the Property, the Unit Owners shall be obligated to repair and restore the Building to the extent required in connection with a Taking regardless of whether or not the Net Award is sufficient. Each Unit Owner shall cooperate with the other Unit Owner and the Condominium Board in connection with any such repairs or restoration to the Building.

9.6 **Supervision of Repair and Restoration.** The Condominium Board shall cause all necessary repair and restoration work with respect to the Building to be performed in accordance with the provisions of this Article. In connection therewith, the Condominium Board

shall engage an Architect. The repair and restoration shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Condominium Board by a Contractor provided; however, that the selection by the Condominium Board of an Architect or Contractor shall require the approval of the majority of members of the Condominium Board which approval shall not be unreasonably withheld or delayed. If the applicable members of the Condominium Board fail to agree upon the selection of an Architect or the Contractor within sixty (60) days after the occurrence of such Taking, then the selection of the Architect and the Contractor, as applicable, shall be submitted to Arbitration.

9.7 **Plans and Specifications**. The plans and specifications for necessary repair and restoration in accordance with the provisions of this Article shall be prepared by the Architect in accordance with instructions given by the Condominium Board and shall provide for the restoration of the remaining portion of the Building as close as commercially practicable to the Building as it existed prior to the Taking, except to the extent any changes in applicable Legal Requirements require otherwise.

9.8 **Excess Net Award**. Upon completion of the repair and restoration in accordance with the provisions of this Article and full payment therefore and for all costs in connection therewith, any excess Net Award shall be distributed as follows:

9.8.1 If one of the Unit Owners failed to contribute to a deficiency in connection with the repair and restoration work as herein provided, the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to the other Unit Owner to the extent advanced by them and the amount of such deficiency shall be deemed a Unit Owner Expense, and

9.8.2 Any remaining balance shall be paid to the Unit Owners in accordance with the Architect Taking Allocation Ratio. The term "Architect Taking Allocation Ratio" shall have the following meaning: the ratio of (A) the relative cost of the restoration to be performed as a result of the damage suffered by each Unit Owner to (B) the Condemnation Estimate and, as and if the costs change during the course of the restoration work, the actual total costs. The "Condemnation Estimate" refers to the reasonably detailed report to be prepared by a Certifying Professional setting forth (a) a description of the condemned areas of the Building and structural supports, and (b) an estimate of the total costs of required repairs and restoration including a breakdown of the costs relating to the Units and the Common Elements.

9.9 **Costs Defined**. For purposes of this Article, architects' and engineers' fees, attorneys' fees (other than those arising from a dispute of the parties hereunder, including, without limitation, any dispute that is submitted to Arbitration) consultants' fees, the fees of the Certifying Professional(s), title insurance premiums and other similar costs and expenses relating to repair or restoration shall be included in the costs and expenses of any such repair or restoration.

9.10 **Reallocation of Common Interest**. If, as a result of a Taking, the total square footage of any Unit changes, the parties shall promptly (x) adjust, as of the date of such taking, the Unit Owners' Common Interest in a manner consistent with the allocation of the Common Interest in existence immediately preceding such casualty or taking and (y) prepare and record in

the Register's Office an amendment to the Declaration confirming such reallocation. If the parties shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the reconstruction, they shall submit such issue to Arbitration.

9.11 **Net Awards to Depositary**. In connection with any Taking, the Depositary shall hold all Net Awards and shall be the disbursement agent for all Net Awards, which pertain to such Taking.

## ARTICLE 10
## RECORDS AND AUDITS

10.1 **Records**. The Board or the managing agent shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners for whom the Board serves and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits**. Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Condominium Board shall be paid by all Unit Owners as a General Common Expense.

10.3 **Availability of Documents**. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

## ARTICLE 11
## ARBITRATION

11.1 **General Procedure**. Any dispute among Unit Owners and any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within 10 days after his appointment. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the Borough of Manhattan and which has at least five members.

11.2 **Costs and Expenses**. The fees, costs and expenses of the arbitrator will be borne by the losing party in the arbitration or, if the position of neither party to the dispute will be

substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants. Each disputant will also bear the fees and expenses of his counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 **Agreement by Parties**. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

## ARTICLE 12
## MISCELLANEOUS

12.1 **Waiver**. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 **Captions**. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 **Certain References.**

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 **Severability**. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Depositary**. The Depositary shall be the holder of the first mortgage on the Property and, thereafter, to a New York City bank or trust company, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more.

In the event the Depositary resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Depositary. The Condominium Board shall pay the fees and disbursements of any Depositary and such fees and disbursements shall constitute a General Common Expense. The Depositary shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Depositary until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns**. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, and/or its designee, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board representing such Unit Owners, stating the reasons why such Unit Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board which represents such Unit Owner, Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

12.7.3 If any Unit Owner, Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board representing such Unit Owners stating the reasons why such Unit

Owner, Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

12.8 **CPI Adjustments**. Unless otherwise expressly provided hereunder, any dollar amount described in this document as "adjusted for inflation" or "subject to adjustment for inflation" (or words of similar import) shall be adjusted by multiplying such amount by a fraction, the numerator of which shall be the Consumer Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the calendar month May, 2014. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor for New York, New York (or the smallest measured area including New York, New York), All Items (1982-84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other reasonably similar index as is designated by the Condominium Board shall be substituted for the Consumer Price Index. If the Consumer Price Index is not immediately available, payments to be calculated in accordance with such Index shall be made based on a reasonable estimate of such Index, and any deficiency shall be paid, and any overpayment credited, against the next installment of funds due, immediately after such Index is available.

12.9 **Indemnity**. In the event Unit Owner requests that the Board's employees perform services for Unit Owner, which are not the Board's obligation to perform, including but not limited to repairs and alterations to the Unit Owner's Unit, Unit Owner shall indemnify the Board and save the Board harmless from any liability, loss, damage and expense arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

## ARTICLE 13
## AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners**. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee or any Unsold Units, (a) any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee, any Unsold Units, (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, (ii) no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent

shall not be unreasonably withheld or delayed) of the respective Mortgage Representatives, if any, (iii) no amendment, modification, addition or deletion pursuant to the provisions of clause (c) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (iv) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be), 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 **Amendments Affecting Declarant or its Designee**. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Declarant or its designee or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely effecting Declarant or its designee or the owner of any Unsold Unit, as the case may be, or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment, modification, addition or deletion of or to these By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

13.3 **Amendments Affecting Permitted Mortgagees**. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or 6.1, 6.2, 6.4.2, 6.4.3, 7.5, 8.7(d) or (e), or 8.10 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

13.4 **Scrivener Errors.** Notwithstanding anything to the contrary contained herein or in the Declaration, either the Condominium Board may amend these By-Laws without the consent of any Unit Owner or Permitted Mortgagee, but upon at least ten (10) days written notice to the Unit Owner and Permitted Mortgagee, to correct or supplement any patent mistakes, inconsistencies or scrivener errors.

13.5 **Deemed Approval Provision**. Notwithstanding anything to the contrary contained herein, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, these By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves

such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The provisions of this Section 13.5 shall not apply to notices given to Sponsor or any other holder of Unsold Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

## ARTICLE 14
## CERTAIN DAMAGES

14.1 **Self Help**. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit, 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 five 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 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.

14.2 **Abatement and Enjoinment.**

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the 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 By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant shall give to Declarant 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.

14.3 **Remedies Cumulative**. The remedies specifically granted to the Condominium Board or to Declarant in this Article 14 or elsewhere in the By-Laws 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 Declarant 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.

14.4 **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 15.1 or paragraph (A) of Section 15.2 hereof or (ii) Declarant 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 15.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owners 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(s)) to Declarant, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 14.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

14.5 **Liability for Litigation Costs**. If any Unit Owner, tenant, purchaser or an applicant to purchase or lease a Unit, institutes any action or proceeding against the Condominium, its officers, Board members, agents or employees, relating to the Declaration, By-Laws, the House Rules or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision.

## RULES AND REGULATIONS

(1) The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units.

(2) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Building.

(3) Neither occupants nor their guests shall play in the entrances, passages, public hails, elevators, vestibules, corridors, stairways or fire towers of the Building.

(4) No public hall or public elevator vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner.

(5) Each Unit Owner shall keep his or her Unit and any Limited Common Elements appurtenant thereto in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

(6) No window guards or window decorations shall be used in or about any Unit, unless otherwise required by law, except such as shall have been approved in writing by the Board or the managing agent of the Building, which approval shall not be unreasonably withheld or delayed. The portions of all curtains, drapes, blinds or other window treatments visible from the exterior of the Building must be white to give the Building a uniform exterior appearance.

(7) No radio, television aerial, satellite or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Building except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Board or the managing agent of the Building, nor shall anything be projected from any door or window of the Building without similar approval.

(8) No ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

(9) 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 in such Unit Owner's Unit.

(10) No bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Board or the managing agent of the Building for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Building.

(11) No Unit Owner shall make or permit any disturbing noises or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Non-Units. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

(12) No more than (2) domestic animals shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Board or the managing agent of the Building and such consent, if given, shall be revocable by the Board or such managing agent in their sole discretion, at any time. Dogs may not be walked on the Property and all Unit Owners must clean-up after their pets. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Building, other than the elevators designated by the Board or the managing agent of the Building for that purpose, or in any of the public portions of the Building, unless carried or on a leash. No pet shall weigh more than 35 pounds or be generally considered dangerous to humans. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in his Unit shall be required to indemnify and hold harmless the Condominium, the Declarant and its designees, the Board, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

(13) Messengers and tradespeople visiting in the Building shall use the elevators designated by the Board or the managing agent of the Building for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses, caregivers, babysitters and cleaning personnel in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the elevators freely, if authorized by such Unit Owner.

(14) All service and delivery persons will be required to use the service entrance. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Unit Owners. Deliveries, if made, will be made from the package room to individual Units only by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

(15) Trunks and heavy baggage shall be taken in or out of the Building by the elevators designated by the Board or the managing agent of the Building for that purpose, and through a designated entrance only.

(16) No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Board or the managing agent of the Building may direct.

(17) Water-closets and other water apparatus in the Building and in any Common Area shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

(18) No occupant of the Building shall send any employee of the Building or of the managing agent thereof out of the Building on any private business.

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

(20) Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(21) The Board or the managing agent of the Building may retain a passkey to each Unit that has locks. If any lock is altered or a new lock is installed, the Board or the managing agent of the Building shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to the Board or such managing agent, then the Board or such managing agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of the Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

(22) No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

(23) Complaints regarding the services of the Building shall be made in writing to the Board or to the managing agent of the Building.

(24) Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Board, at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board, be conditional in nature.

(25) Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive nature therein.

(26) Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

(27) Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

(28) No Unit Owner or any of his agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

(29) If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Board or the managing agent of the Building, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the managing agent of the Building shall (except as provided in paragraph 21 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(30) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

(31) The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

(32) No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Board or the managing agent of the Building.

(33) In the event that any Unit is used for home occupation purposes which are permitted by law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(34) Unless expressly authorized by the Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms and closets) must be covered with rugs, carpeting or equally effective noise-reducing material.

(35) There will be no barbecuing in the Units, or in the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Board.

(36) The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the reasonable judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Building, or the preservation of good order therein, or the operation or maintenance of the Building, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

(37) No children may be left unattended in any Common Element of the Building, including but not limited to the hallways and lobby. Any children under the age of fourteen (14) must be accompanied by an adult in the gym and other amenities.

(38) Any Unit Owner using any amenity space or common space in the Building to host a private function shall faithfully observe all of the rules and regulations as determined by the Board with respect to the use of such space, including, but not limited to, the payment of fees relating to such use, and clean-up costs relating to such use.

# EXHIBIT E

## UNIT POWER OF ATTORNEY

# POWER OF ATTORNEY

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**THE CONDOMINIUM BOARD OF 45 EAST 22ND STREET CONDOMINIUM**

**and**

**EAST 22ND STREET ACQUISITION HOLDINGS, LLC**

**45 EAST 22ND STREET CONDOMINIUM**

**45 EAST 22ND STREET, NEW YORK, NEW YORK 10010**

**UNIT _____**

**COUNTY: NEW YORK**

**BLOCK: 1344**

**LOT:**

# POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by East 22nd Street Acquisition Holdings, LLC ("Declarant") establishing a plan for Condominium ownership of the premises known as 45 EAST 22ND STREET CONDOMINIUM and by the street number 45 East 22nd Street, New York, New York 10010 under Article 9-B of the Real Property Law of the State of New York, dated _____ __, 200__, and recorded in the New York County Office of the Register of The City of New York on _____, 20__, in City File Register Number _____, or (b) in the By-Laws of the Condominium (the "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 (the "Principal"), the owner of the Unit (the "Unit") in 45 EAST 22ND STREET CONDOMINIUM which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 1344 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department 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:

A. the Condominium Board of the Condominium (hereinafter collectively referred to as "**Condominium Board**"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, (b)

any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium which the Condominium Board deems necessary or appropriate or (c) following due authorization by any affected Unit Owner(s) or the to the extent required in the By-Laws and Declaration, any consent any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, or any of the Common Elements, which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable; and

B. the **Declarant**, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in the name of its designee (corporate or otherwise) but subject in all respects to the By-Laws and the Declaration then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units, and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely effect the priority or validity of the lien of any purchase money 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.

Each Agent may act SEPARATELY.

This Power of Attorney does not revoke any prior powers of attorney executed by the Principal.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ___ day of _____, 20__.

PRINCIPAL signs here: =>_____

=>_____

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK )
) ss.:
COUNTY OF NEW YORK )

On the _____ day in _____the year 20__ before me personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

**EXHIBIT "10"**

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**CERTIFICATION OF SPONSOR AND PRINCIPALS**

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CERTIFICATION OF SPONSOR AND PRINCIPALS

December 9, 2013

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: 45 East 22nd Street Condominium, 45 E. 22nd Street, New York, New York

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where 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.

EAST 22ND STREET ACQUISITION HOLDINGS, LLC

By: _____
Name: Ian Bruce Eichner
Title: Principal

Sworn to before me this
9 day of December, 2013

SHARON H. McCULLOCH
Notary Public, State of New York
No. 01MC6224121
Qualified in New York County
Commission Expires: June 28, 2014

Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 9 day in December the year 2013 before me personally appeared Ian Bruce Eichner, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SHARON H. McCULLOCH
Notary Public, State of New York
No. 01MC6224121
Qualified in New York County
Commission Expires: June 28, 2014

SPONSOR'S PRINCIPALS:

Sworn to before me this
9 day of December, 2013

Ian Bruce Eichner

Notary Public

SHARON H. McCULLOCH
Notary Public, State of New York
No 01MC6224121
Qualified in New York County
Commission Expires: June 28, 2014

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 9 day in December the year 2013 before me personally appeared Ian Bruce Eichner, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SHARON H. McCULLOCH
Notary Public, State of New York
No 01MC6224121
Qualified in New York County
Commission Expires: June 28, 2014

**EXHIBIT "11"**

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# CERTIFICATION OF SPONSOR'S ARCHITECT

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Goldstein Hill & West Architects, LLP
11 Broadway, Suite 1700
New York, New York 10004

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20.4(c) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

July 23, 2014

New York State Department of Law
120 Broadway
New York, New York 10271
Att.: Investment Protection Bureau

Re: 45 East 22nd Street Condominium
45 East 22nd Street, New York, New York

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We have examined the building plans and specifications that were prepared by Goldstein Hill & West Architects, LLP and dated March 25, 2014 and prepared the Report dated December 3, 2013,as revised on July 23, 2014, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and together with the Consulting Engineers (DeSimone Consulting Engineers and MGE Engineering) investigated the facts set forth in the Report and the facts underlying with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. We certify that the Report based on our visual inspection:

(i) sets forth in narrative form the physical condition of the entire property as it will exist upon completion of construction and renovation, provided that construction and renovation is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction and renovation, provided that construction and

renovation is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond the reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

Name: ALAN GOLDBERG
Title: PARTNER

Sworn to before me this 23rd
day of July, 2014

Notary Public

SARAH LADNER GOMEZ
NOTARY PUBLIC-STATE OF NEW YORK
No. 01LA6123251
Qualified In Kings County
My Commission Expires 05/26/17

**EXHIBIT "12"**

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**CERTIFICATION OF SPONSOR'S BUDGET EXPERT**

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HALSTEAD
PENMARK

## CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

December 11, 2013

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

**Re: 45 East 22nd Street Condominium**
**45 East 22nd Street, New York, New York**

Gentlemen:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B and the footnotes thereto, containing the projected income and expenses for the first year of condominium operation. Penmark Management LLC has been engaged in the management of residential real estate for many years, manages approximately 85 cooperative and condominium buildings and is licensed as a real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projection in Schedule B appears reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

HALSTEAD
PENMARK

(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 the reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Penal Law.

Very truly yours,

Penmark Management LLC

By _____
Name: Leslie Bogen Winkler
Title: Senior Vice President

Sworn to before me this 11th
day of December __, 2013

_____
Notary Public

ARLENE ATHERLY
NOTARY PUBLIC-STATE OF NEW YORK
No. 01AT6174538
Qualified In Kings County
My Commission Expires September 24, 2015

#12637848_v3

**EXHIBIT "13"**

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# CONSTRUCTION AND MAINTENANCE AGREEMENT

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# CONSTRUCTION AND MAINTENANCE EASEMENT AGREEMENT

NEW YORK COUNTY
BLOCK 851
LOTS 28 AND 32

RECORD AND RETURN TO:

KRAMER LEVIN NAFTALIS & FRANKEL LLP
1177 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10036
ATTENTION: NEIL R. TUCKER, ESQ.

# CONSTRUCTION AND MAINTENANCE EASEMENT AGREEMENT

**THIS CONSTRUCTION AND MAINTENANCE EASEMENT AGREEMENT** (this "Agreement"), made as of the 7 day of June, 2013, by and between 33 EAST 22ND STREET TENANTS CORP. ("Owner"), a New York corporation, having an address at c/o Michael Osheowitz, 33 East 22nd Street, Apt. 3E, New York, New York 10010, and East 22nd St. Acquisition Holdings LLC ("Developer"), a New York limited liability company, having an address at c/o The Continuum Company, 30 West 21st Street, 11th Floor, New York, New York 10010.

## WITNESSETH:

**WHEREAS**, Owner is the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 28 in Block 851 on the Tax Map of the City of New York, County of New York, and as and by the street address 33 East 22nd Street, New York, New York, and more particularly described in **Exhibit "A"** annexed hereto and made a part hereof (the "Owner Land"; the building located thereon is herein referred to as the "Owner Building"; and the Owner Land and the Owner Building are herein collectively referred to as the "Owner Parcel");

**WHEREAS**, Developer is the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 32 in Block 851 on the Tax Map of the City of New York, County of New York, and as and by the street address 43 East 22nd Street, New York, New York, and more particularly described on **Exhibit "B"** annexed hereto and made a part hereof (the "Developer Land"; the building and improvements thereon are herein referred to as the "Existing Developer Building");

**WHEREAS**, Developer may demolish the Existing Developer Building and construct a new building and construct other improvements associated with such new building (the new building and improvements, together with any additions thereto or future alterations thereto or replacements, repairs or rebuilding thereof are herein collectively referred to as the "Developer Building"; and the Developer Land and the Existing Developer Building or the Developer Building, as the case may be, are herein collectively referred to as the "Developer Parcel");

**WHEREAS**, Owner and Developer (i) previously entered into that certain Agreement for Sale and Purchase, dated as of August 6, 2012 (the "Purchase Agreement") and (ii) are simultaneously herewith entering into that certain Zoning Lot Development and Easement Agreement (the "ZLDA"), to be recorded in the Office of the City Register, New York County, and each of the Purchase Agreement and ZLDA contemplate and grant to Developer the right to construct and maintain, as part of the Developer Building, the Cantilever (as defined and more particularly described in the ZLDA);

**WHEREAS**, pursuant to the Purchase Agreement and the ZLDA, Owner has agreed to grant to Developer certain access and easement rights in connection with the construction and maintenance of the Developer Building and the Cantilever (the Developer Building shall be deemed to include the Cantilever); and

**WHEREAS**, the parties hereto wish to set forth certain agreements with respect to the initial construction and the subsequent maintenance and repair of the Developer Building (including the Cantilever) and other matters.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged, the parties hereto hereby covenant and agree as follows:

1. **Certain Definitions**. As used herein:

(a) "Access Work" shall mean the aggregate of: (i) the work performed in connection with the exercise by Developer of its easement rights pursuant to this Agreement (including, without limitation, Section 2 hereof), both in connection with the Initial Construction and Maintenance and Repair, and (ii) the Impact Work.

(b) "Agency(ies)" shall mean the New York City Planning Commission, the Department of City Planning of the City of New York, the City Council of the City of New York, the DOB (hereafter defined), the Board of Standards and Appeals of the City of New York, the Landmarks Preservation Commission, the Manhattan Borough President, any community board, any other municipal agencies, court or department, or any department, court or agency of the State of New York or the United States of America or any successor entity to any of the foregoing, having jurisdiction over the Access Work and the Easement Areas.

(c) "Alternative" shall have the meaning set forth in Section 6(a) hereof.

(d) "Arbitrator Engineer" shall mean such engineer as shall be designated in accordance with Section 20.1 of the Purchase Agreement.

(e) "Cantilever" shall have the meaning set forth in the ZLDA.

(f) "Developer Building" shall have the meaning set forth in the Recitals.

(g) "Developer's Agents" shall have the meaning set forth in Section 2 hereof.

(h) "Developer's Designated Engineer" shall mean Langan Engineering & Environmental Services, or any other engineer as may be designated by Developer and identified to Owner, who must have extensive experience addressing construction issues in high-rise buildings.

(i) "Developer Parcel" shall have the meaning set forth in the Recitals.

(j) "DOB" shall mean the New York City Department of Buildings (or any entity succeeding to the jurisdiction thereof).

(k) "Easement Areas" shall have the meaning set forth in Section 2 hereof.

(l) "Event of Default" shall have the meaning set forth in Section 15 hereof.

(m) "Existing Developer Building" shall have the meaning set forth in the Recitals.

(n) "Force Majeure" shall mean delays which are caused by any of the following and which are not attributable to any material extent to the acts or omissions of Developer or its affiliates or Developer's Agents: acts of God, war, hostilities, invasion, insurrection, terrorism, riot, mob violence, earthquake, flood, unusually severe weather, fire or other casualty, strikes, labor unrest (except to the extent such strikes, labor unrest or other employee disturbances or labor disputes take place at the Developer Parcel only or at the Developer Parcel and other projects or properties being developed by affiliates of Developer only), unusual site conditions which could not have been reasonably foreseen by Developer's exercise of customary and prudent due diligence and other circumstances of a similar nature that are beyond the reasonable control of Developer and its affiliates

(o) "Home Office Occupants" shall have the meaning set forth in Section 6(d) hereof.

(p) "Impact Work" shall mean all demolition work, excavation work, support of excavation (SOE) including underpinning, foundation work (including foundation plans with sections showing the Owner Parcel), foam board to separate the buildings, any gap (seismic), roof flashing to the extent impacting water flow, storm water management systems for the Developer Building, items that may affect existing heating venting or air conditioning exhausts that currently exist on the Owner Parcel or Building, and any other item, component or portion of the work planned by Developer which Owner's Designated Engineer, in its reasonable judgment, believes to create a potential risk to the structure or structural integrity of the Owner Building.

(q) "Initial Construction" shall mean the demolition of the Existing Developer Building, the initial construction of the Developer Building, including the Cantilever, and any Rebuilding of the Developer Building or the Cantilever that consists of the reconstruction, replacement or substantial rebuilding thereof after a casualty (but not including Maintenance and Repair), together with any Impact Work or any Protective Work on the Owner Parcel required by Legal Requirements, or direction of the DOB or BEST Squad, in connection therewith.

(r) "Legal Requirements" shall mean applicable laws, orders, ordinances, rules, regulations and requirements of all federal, state, municipal and local governments and their departments, agencies, commissions, boards and officers or any other body exercising similar jurisdiction and any other governmental agency having jurisdiction over the Easement Areas and/or the Access Work, including but not limited to the DOB, governing or regulating the use and operation, or otherwise applicable to, the Access Work and the Easement Areas;

(s) "Maintenance and Repair" shall mean any maintenance, repair, cleaning, alteration, modification, reconstruction, replacement, or Rebuilding of the Developer Building (including the Cantilever) that occurs following issuance of a temporary certificate of occupancy permitting the occupancy of the Developer Building and the Cantilever, together with any Impact Work and Protective Work associated therewith, but not including any Access Work associated with a Rebuilding that constitutes Initial Construction.

(t) "Merged Zoning Lot" shall have the meaning set forth in the ZLDA.

(u) "Mortgage" shall have the meaning set forth in Section 22 hereof.

(v) "Mortgagee" shall have the meaning set forth in Section 22 hereof.

(w) "Notices" shall have the meaning set forth in Section 21 hereof.

(x) "Notifying Party" shall have the meaning set forth in Section 22 hereof.

(y) "Office Advance" shall have the meaning set forth in Section 6(d) hereof.

(z) "Owner Building" shall have the meaning set forth in the Recitals.

(aa) "Owner's Designated Engineer" shall mean Mueser Rutledge Consulting Engineers and/or any other engineer(s) as may be designated by Owner and identified to Developer, who must have extensive experience addressing construction issues in high-rise buildings.

(bb) "Owner Parcel" shall have the meaning set forth in the Recitals.

(cc) "Preconstruction Survey" shall have the meaning set forth in Section 3 hereof.

(dd) "Project Year" shall have the meaning set forth in Section 6(d) hereof.

(ee) "Protective Work" shall mean (i) the installation of Rooftop Protection, and (iii) the erection of temporary protections such as scaffolding, fences, sheds, bracing, decking and/or a sidewalk bridge along the walls of the Owner Building and in the front and rear yards of the Owner Premises, and the construction of a protective covering, such as netting, over the façade or other portions of the Owner Building fronting on West 22nd Street, and cocooning all as required by Legal Requirements, good construction practice or by the DOB or Best Squad;

(ff) "Purchase Agreement" shall have the meaning set forth in the Recitals.

(gg) "Rebuilding" shall mean any construction, addition, reconstruction, replacement, repair or rebuilding of the Developer Building (including the Cantilever), as the case may be, whether following a casualty or otherwise; depending on the scope of work involved, such Rebuilding may constitute either Initial Construction or Maintenance and Repair.

(hh) "Rooftop Mechanicals" shall mean elevator bulkheads, water towers, air conditioning equipment (including, without limitation, condensers, compressors and chillers), antennas, satellite dishes, chimneys, flues, vents, pipes, exhausts, ladders, fire escapes, or other mechanical or telecommunications equipment.

(ii) "Rooftop Protection" shall mean scaffolding, construction fencing, bracing, decking, shed, bridging or cocooning, covering and protecting the roof of the Owner Building or enclosing or modifying any bulkhead, light well, fence or Rooftop Mechanicals, so as to protect the roof of the Owner Building and the Rooftop Mechanicals against damage as may be required by Legal Requirements or by the DOB or BEST Squad.

(jj) "Surveys" shall have the meaning set forth in Section 2 hereof.

(kk) "Temporary Offices" shall have the meaning set forth in Section 6(d) hereof.

(ll) "Underpinnings" shall have the meaning set forth in Section 2 hereof.

(ii) "ZLDA" shall have the meaning set forth in the Recitals.

2. **Grant of Easements**. Subject to the terms and provisions of this Agreement, Owner hereby grants to Developer (and Developer's employees, contractors, agents, representatives, engineers, architects and other professionals) and Developer's successors and assigns, the following easements in and to such portions of the Owner Parcel and the Owner Building as may be required by Legal Requirements, any Agencies and/or good construction practice (such portions, the "Easement Areas"), which are separate and apart from the Cantilever Easement, both during the period of the Initial Construction and during any Maintenance and Repair, on the terms and conditions set forth herein. The Easement created by this Agreement shall include:

(a) access to and use of portions of the Owner Parcel and the Owner Building required or reasonably appropriate for Initial Construction and Maintenance and Repair;

(b) the right to construct, install and maintain the Protective Work;

(c) the right to perform Preconstruction Surveys, existing condition surveys, post construction surveys or any other surveys which may be required ("Surveys");

(d) the right to attach foundation and building supports, tie-backs and similar supports, and to erect, construct and/or install shoring and bracing and underpinning of the Owner Building and the installation of soldier piles/beams and sheeting and the forming, pouring and construction of underpinnings and foundation walls or any necessary structures required during the excavation and foundation process to either protect Owner Building or for the construction of Developer Building (collectively, the "Underpinnings");

(e) the right to erect temporary projections, including, without limitation, netting, bracing, decking, scaffolding, bridging or cocooning across the street or over the property line of the Owner Parcel, provided same do not reasonably interfere with Owner's occupancy of the Owner Building;

(f) the right to make minor, cosmetic repairs to the exterior walls of the Owner Building, to the extent such repairs are necessary or appropriate as a result of the Initial Construction and/or Maintenance and Repair;

(g) the right to have access to the roof of the Owner Building and, to the extent reasonably necessary, to other portions of the Owner Building, so as to install Rooftop Protection;

(h) the making of minor, cosmetic repairs to the exterior walls of the Owner Building to the extent such repairs are necessary or appropriate as a result of the demolition and construction of the Developer Building;

(i) the modification or relocation of any existing vents, boiler flues or chimneys on the Owner Building, to the extent required by Legal Requirements, but only after consultation with Owner as to the relocation of such vent, chimney or flue and subject to Owner's reasonable requirements as to the timing of such modification or relocation;

(j) the inspection and monitoring of the Access Work, the Initial Construction and the Maintenance and Repair work; and

(k) such other and further easements and access rights to enter into or onto the Owner Parcel or the Owner Building during the Initial Construction and Maintenance and Repair as are required or appropriate to maintain the Cantilever in sound, good condition in the event of a casualty or otherwise.

3. **Term of Grant.**

(a) The term of the Easement for the Initial Construction shall commence on the date Developer first obtains a permit from the DOB for the performance of any of the Access Work, including Protective Work, associated with the Initial Construction or any Rebuilding that constitutes Initial Construction, but in no event later than five (5) years from the date of execution of this Agreement (i.e., June 7, 2018)(the "Outside Commencement Date"), and shall automatically expire on the earlier to occur of (a) the issuance of a temporary certificate of occupancy ("TCO") for the Developer Building, provided that the Cantilever Building is actually occupied under the TCO; or (b) five (5) years from the date of commencement of any Access Work for the Initial Construction (such earlier date, the "Expiration Date"), subject to Force Majeure. Notwithstanding the foregoing, the term of the Easement shall commence at an earlier date if required for the performance of a Preconstruction Survey or other inspections or surveys required prior to issuance of any permit. It is hereby understood that the Easement for the Initial Construction does not authorize Developer to enter or use the Easement Areas at any time or for any purpose other than in connection with the performance of the Initial Construction. In the

event of a casualty affecting the Developer Building, the terms of this subdivision (a) shall apply to the Access Work associated with the Rebuilding of the Developer Building.

(b) The Easement for Maintenance and Repair shall commence and may be exercised after the date Developer first obtains a temporary certificate of occupancy permitting the occupancy of the Cantilever and may be utilized periodically and intermittently as required to maintain the Cantilever in sound, good condition for so long as the Cantilever, or any replacement building or structure occupying the area of the Cantilever and attached to and forming part of the Developer Building or any Rebuilding thereof, shall stand. The duration of each instance of the exercise of the Easement for Maintenance and Repair shall commence at the time Developer enters an Easement Area pursuant to a notice given to Owner pursuant to Section 4 of this Agreement and shall continue for only so long as is required to complete the Maintenance and Repair, it being understood that the Easement for Maintenance and Repair granted herein does not authorize Developer to enter or use the Easement Area at any time or for any purpose other than in connection with the performance of Maintenance and Repair.

4. **Conditions to Use of Easement.** Developer and Developer's Agents shall use the Easement Areas solely for the performance of the Initial Construction and Maintenance and Repair, and for no other purpose. Developer shall provide not less than ten (10) days' prior notice to Owner, except in the event of an emergency, and, in any event, the notice required by the Building Code, in advance of its exercise of the Easement with respect to each element or category of Initial Construction or instance of Maintenance and Repair; however, once notice has been given and work has begun with respect to such element or category of Initial Construction or instance of Maintenance and Repair, use of the Easement shall continue from day to day in the ordinary course with respect to such work during any hours in which such work is permitted pursuant to Legal Requirements, subject to the provisions of Section 10 hereof, until the work in question is completed. In addition, in the case of Maintenance and Repair, prior to entering into an Easement Area, and at the time notice is given of the anticipated commencement date of the work, such notice shall also provide both a description of the scope of the work to be performed and the date by which Developer expects that the intended Maintenance and Repair work shall be completed, subject to Force Majeure or other delay outside the control of Developer (the "Completion Date").

5. **Preconstruction Survey**.

(a) Prior to commencement of the Initial Construction, Developer shall cause Developer's Designated Engineer to prepare a "preconstruction survey" (the "Preconstruction Survey") that will document the then-existing condition of the Owner Building, in order to (i) document the condition of the exterior, roof, parapets, basement and cellar of the Owner Building to serve as a baseline or reference point in the event of any claim that the Access Work has caused any damage to the Owner Building and (ii) to identify any potential structural issues (such as visible cracks) that might impact the Access Work. Owner shall cooperate with the Developer in the conduct of the Preconstruction Survey. Developer shall provide (or shall cause Developer's Designated Engineer to provide) Owner with a copy of the Preconstruction Survey.

(b) Developer agrees that the Preconstruction Survey shall be scheduled in consultation with the Owner or its designated representative during normal business hours and that the Developer Engineer hired or retained to perform the Preconstruction Survey shall have in full force and effect insurance coverage on commercially reasonable terms (in accordance with Section 14 hereof) and in commercially reasonable amounts. Prior to commencing the Preconstruction Survey, Developer shall provide (or shall cause the Developer Engineer to provide) Owner with copies of certificates of insurance evidencing such insurance coverage. Owner shall cooperate with Developer in the conduct of the Preconstruction Survey. Owner's Designated Engineer may, at Owner's election, accompany the Developer Engineer during its review of the existing conditions of the Owner Building and Developer shall provide (or shall cause the Developer Engineer to provide) Owner and Owner Engineer with a final draft of the Preconstruction Survey not less than twenty (20) days prior to Construction Commencement. The Preconstruction Survey shall be deemed Protective Work and, in the event of a dispute between Developer Engineer and Owner's Designated Engineer as to the findings contained in such Preconstruction Survey, shall be subject to the procedure described in Section 6(a) of this Agreement for the resolution of disputes regarding Impact Work.

6. **Impact Work and Initial Construction**.

(a) Prior to seeking approval of the DOB for Developer's demolition plans and construction plans and specifications for the Developer Building, Developer will present to Owner and/or Owner's Designated Engineer the portions of all such plans and specifications that reflect or relate to Impact Work. In the event Owner's Designated Engineer has any reasonable objections or concerns about the effect Impact Work may have on the structure of the Owner Building (e.g., concerns about undermining the structure of the building(s) on the Owner Parcel, or causing cracks in such building(s)), and those objections or concerns are relayed to Developer within ten (10) business days after Owner's receipt of the plans, specifications or other description of any portion of the Impact Work, Developer and Owner will cause their respective engineers to collectively address and resolve those objections and concerns to the reasonable satisfaction of Owner's Designated Engineer. If a dispute shall hereafter arise between Owner's Designated Engineer and Developer's Designated Engineer (Developer's Designated Engineer and Owner's Designated Engineer, together, the "Designated Engineers" and either, separately, a "Designated Engineer") pursuant to this Section 6 as to whether any Impact Work may or will adversely affect the structure or structural integrity of the Owner Building and such dispute cannot be resolved by the Designated Engineers within ten (10) business days after Owner's Designated Engineer first gives written notice to Developer's Designated Engineer of the existence of the dispute, then the dispute shall be submitted to the Arbitrator Engineer, who shall meet with the Designated Engineers together and render a decision either confirming the designs, means or methods suggested by one of the Designated Engineers or shall select alternative designs, means and/or methods (an "Alternative"). The Alternative shall be selected within ten (10) business days after the Arbitrator Engineer first meets with the Designated Engineers. The Alternative shall be adopted by the Designated Engineers and incorporated in Developer's plans and specifications, provided that said Alternative shall comply in all respects with Legal Requirements. Each of Developer and Owner agrees to pay one-half of the cost of the Arbitrator Engineer's fees and expenses within ten (10)

days of demand therefor. Nothing contained in this Section 4 shall be deemed to be in derogation of Developer's obligations with respect to Site Safety under the New York City Building Code.

(b) Promptly after Developer's demolition plans and construction plans are approved by the DOB, Developer will give to Owner or Owner's Designated Engineer a copy of all portions of such approved plans that reflect or relate to Impact Work. During the time that the Impact Work is being performed, Developer will grant reasonable access to the Developer Parcel to Owner's Designated Engineer to observe the Impact Work as it is being performed. Developer shall also provide Owner with all movement and vibration monitoring data and/or reports, with interpretation over a baseline from Developer's engineer, at least once every two weeks. In the event, and to the extent Owner's Designated Engineer expresses any reasonable objections or concerns about the movement or vibration monitoring data or that any aspect or portion of the Impact Work could reasonably be deemed to create a dangerous or hazardous condition, or cause harm to Owner or Owner's Parcel, Developer and Owner will cause their respective engineers to meet promptly (within seven days of written notice) to address and resolve those objections and concerns to the reasonable satisfaction of Owner's Designated Engineer. Any dispute between the engineers shall be resolved in the same manner as set forth in Section 6(a) above.

(c) Developer shall not perform any portion of the Impact Work that is likely to create noise detectable by occupants of Owner's Parcel on Sundays or holidays.

(d) During the Initial Construction, if and to the extent Developer performs work on Saturdays: (a) such work will be performed only between the hours of 10:00 a.m. and 4:00 p.m.; and (b) if work is performed on more than four Saturdays during any Project Year (as defined below), within ten business days after the fifth Saturday of that Project Year during which work is performed, and within ten business days after every subsequent Saturday during that Project Year during which work is performed, Developer shall pay to Owner the sum of Seven Thousand Five Hundred and 00/100 ($7,500.00) dollars to compensate Owner for Owner's inconvenience. The term "Project Year" shall be defined as the twelve-month period that commences on the date of commencement of demolition, and the twelve-month period that commences with each anniversary thereof. This subdivision (d) is intended to restate the obligations contained in Section 20.3(a) of the Purchase Agreement and, in the event of any inconsistency between the two documents, the provisions of the Purchase Agreement shall control.

(e) Further, in order to ensure that occupants of the Owner Parcel who work in their apartments during business days ("Home Office Occupants"), will have a work environment without the disturbances (e.g., noise, vibrations, odors, etc.) that may arise from the Initial Construction, for the period of time from the commencement of demolition at Developer's Parcel at least until the outer shell of the Developer Building (the outer walls and roofs) is completed, other than openings for the hoist and associated staging area, at Closing hereunder, Developer has deposited with Owner the sum of One Hundred and twenty-eight thousand, nine hundred and seventy-six Dollars and 77/100 Dollars ($128,976.77) (the "Office Advance") for Owner's use in arranging and paying for office space ("Temporary Offices") to be available and

useable by Home Office Occupants. The amounts and method by which the Office Advance will be allocated among the Home Office Occupants shall be the sole responsibility of Owner and Developer shall have no liability to any Home Office Occupant or other third person in respect of the amount or method of allocation. In the event any portion of the Office Advance is not expended or due for the Temporary Offices at the time the Developer Building is closed in, Owner shall nonetheless have the right to retain same and use it for such purposes as Owner in its sole discretion shall determine. Developer's deposit of the Office Advance with Owner shall release Developer from any and all claims by Home Office Occupants, Owner and any other third parties with respect to any claims regarding the adverse impacts of the Initial Construction upon such occupants and Owner shall defend, indemnify and hold Developer harmless from and against any and all claims, judgments, damages, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) suffered or incurred by Developer arising out of, or in connection with the payment, disbursement or use of the Office Advance. This subdivision (e) is intended to restate the obligations contained in Section 20.3(b) of the Purchase Agreement and, in the event of any inconsistency between the two documents, the provisions of the Purchase Agreement shall control.

(f) To minimize the disturbance of the occupants of the Owner Building caused by the Initial Construction, Developer will make a good faith, diligent effort to complete the demolition, excavation and foundation work within six months of commencement of demolition and to complete all building exterior work (resulting in enclosure of the New Building (except for openings left for the hoist and associated staging area) (the "Closing-In") within twenty-four months after completion of the demolition, excavation and foundation work. If such Closing-In is not completed within thirty-two (32) months after the date of commencement of the demolition work, Developer will compensate Owner for the continuing disturbance by paying to Owner the sum of $500.00 per day for each calendar day after expiration of the thirty-two (32) month period, until the Closing-In occurs, provided, however, that Developer's maximum obligation for such compensation shall be $500,000. The thirty-two (32) month period shall be deemed extended for time periods equal to delays caused by Force Majeure. This subdivision (f) is intended to restate the obligations contained in Section 20.5 of the Purchase Agreement and, in the event of any inconsistency between the two documents, the provisions of the Purchase Agreement shall control.

(g) During the Construction of the super-structure of the Developer Building, Developer, Owner, Owner's designated professionals and/or representatives, Developer's construction manager and, if necessary, Developer Engineer and Developer's architect and other consultants and professionals shall meet at scheduled times and locations every other month (unless otherwise agreed by Developer and Owner), beginning with the month in which demolition commences and continuing until the completion of the super-structure of the New Building. Thereafter, unless otherwise agreed by Developer and Owner, such meetings shall be held once every three (3) months until the Developer Building is enclosed.

(h) The Rooftop Protection shall be designed and constructed by Developer, at Developer's sole cost and expense, and to the extent reasonably practical, to minimize interference with the occupants of the Owner Building and shall also be designed so as not to

interfere in any material respect with the operation of the Rooftop Mechanicals or to prevent reasonable access to the Rooftop Mechanicals for repair, maintenance or replacement through existing stair or elevator bulkheads on the Owner Building.

(i) At Developer's sole cost and expense, Developer shall engage a reputable and experienced extermination company prior to commencement of Initial Construction to perform extensive preventive and corrective extermination on and around Developer's Parcel. Such extermination company shall perform follow-up extermination services at least once a week through the term of the Initial Construction in both the Owner Building and the Developer Building and Owner shall allow access to the Owner Building for this purpose. This subdivision (i) is intended to restate the obligations contained in Section 20.4 of the Purchase Agreement and, in the event of any inconsistency between the two documents, the provisions of the Purchase Agreement shall control.

7. **Maintenance and Repair Work**.

(a) Developer shall exercise the Easement herein granted for the performance from time to time of such Maintenance and Repair work as is necessary to keep the Cantilever and any Rebuilding thereof in sound, good condition. In using the Easement to enter an Easement Area for the performance of Maintenance and Repair, Developer shall, in each case, comply with the provisions of Sections 3, 4, 6, 8, 9, 10 and 14 of this Agreement, as modified by this Section 7:

(b) In the case of any Maintenance or Repair that requires the type of work described as Impact Work in this Agreement, the parties shall follow the procedures prescribed by Section 6(a) and Owner may retain at its sole cost and expense, an engineer or architect reasonably familiar with the type of work proposed to be performed as Maintenance and Repair and specified in the notice required by Section 4 of this Agreement and such professional shall be deemed to be the Owner's Designated Engineer for purposes of applying the provisions of such Section;

(c) Unless the scope of work involved in the Maintenance and Repair concerns the replacement or rebuilding of the Cantilever or the performance of Impact Work, Developer shall not be required to install a vibration monitor or meet periodically with Owner while the Maintenance and Repair is performed, as required by Sections 6(b) and 6(c), but Owner's Designated Engineer shall have the right to monitor the Maintenance and Repair, as provided in Section 6(b);

(d) Except in the case of Force Majeure or when additional time is required to enable Developer to complete new work first identified during the performance of the Maintenance and Repair identified in the notice first hereinabove required to be given pursuant to Section 4 of this Agreement, Developer shall vacate the Easement Area on or before the Completion Date. Notwithstanding the foregoing, Developer may obtain extensions of the Completion Date for the completion of such Maintenance and Repair with Owner's prior written

consent, which shall not be unreasonably withheld, conditioned or delayed. In all cases, Developer shall execute the Maintenance and Repair diligently to completion;

(e) Developer's hours of access for Maintenance and Repair work shall be limited to Mondays through Fridays between the hours of 8:00 a.m. and 6:00 p.m. unless otherwise required in an emergency or as permitted or required by the DOB.

(f) In the event of any dispute between the parties regarding the scope or performance of Maintenance and Repair, the dispute shall be resolved in the same manner provided with respect to resolution of disputes concerning Impact Work or Initial Construction as is provided in Section 6(a) of this Agreement.

8. **Developer Covenants**. Developer covenants and agrees that it shall:

(a) diligently perform the Access Work in a good and worker-like manner and in accordance with all Legal Requirements.

(b) perform the Access Work in such a manner as to take into account any salient issues raised by the Preconstruction Survey, such as the presence of cracks or other sensitive or weak areas in the Owner Building. In the event that the Preconstruction Survey shows any signs of potential problems, such as visible cracks or other sensitive or weak areas in the Owner Building, "telltales" or crack gauges shall be installed across such existing cracks and in such sensitive areas to permit changes in crack width to be measured.

(c) use the Easement Areas and perform the Access Work (i) in a prompt, safe and efficient manner and so as not to interfere unreasonably with the Owner Parcel and the use and enjoyment thereof by Owner and Owner's tenants and occupants, and (ii) in a manner consistent with good construction practice;

(d) take (and have its contractors take) such precautions as may be necessary or appropriate to (i) prevent damage to the Owner Parcel, and (ii) prevent injury to any persons;

(e) keep and maintain the Easement Areas in good order, repair and condition, and not to create a hazardous condition;

(f) other than as required in connection with the Access Work, not make any improvements, additions, alterations or other changes to the Easement Areas or the Owner Parcel;

(g) not permit the accumulation of refuse, garbage or rubbish material arising from the performance of the Access Work and provide any and all safeguards necessary to prevent such accumulation; and otherwise provide such means and methods of performing maintenance and repairs and obtaining necessary access for construction and employ such general housekeeping methods as will maintain a clean and sanitary condition consistent with the comfort, privacy and quiet enjoyment of the residents of both buildings on the Merged Zoning Lot;

(h) immediately correct and repair any damage caused by Developer to the Owner Building or the Owner Parcel in connection with the Access Work or otherwise. Developer shall give Owner prompt notice of any such damage and, at Owner's reasonable request, promptly prepare plans and specifications for the repair of such damage (to the extent such plans and specifications are required for such repairs), which plans and specifications shall be subject to Owner's Designated Engineer's reasonable review and approval. In the event that Developer fails to commence within thirty (30) days, and thereafter diligently prosecute to completion, the preparation of such plans and the correction or repair of such damage, Owner shall have, in addition to any other remedies it may have, at law, in equity, by statute or pursuant to this Agreement, the right to correct or repair any such damage at Developer's sole cost and expense. If Owner is compelled or elects to expend any sum of money by reason of correcting and repairing any such damage as provided in this Section 8(h), Developer shall, upon demand, promptly reimburse Owner for all such sums within thirty (30) days after Developer's receipt of Owner's invoice for same. In the event of Developer's failure to reimburse Owner within thirty (30) days, Developer shall pay interest on all unpaid amounts at the maximum rate then permitted by law commencing on the 31st date after receipt of Owner's bill. If Owner is compelled to commence any action or proceeding against Developer in order to recover unreimbursed expenditures from Owner, then Owner shall be entitled to recover, in addition to the unreimbursed amount and the interest thereon, any damages suffered by Owner or its shareholders as a consequence of Developer's failure to make timely reimbursement, as well as all attorneys' fees, costs and disbursements incurred by Owner and its shareholders in bringing the action and enforcing any judgment obtained therein.

9. **Permits and Licenses**. Developer shall obtain all necessary licenses, permits, approvals, or variances to perform the Access Work which may be required by any municipal ordinance, state law or regulation or otherwise, and shall pay all fees in connection therewith. Owner shall cooperate with Developer in connection therewith, at Developer's expense, and shall sign any forms, applications, waivers, letters, or other documents that require Owner's signature. Developer shall have the same rights and remedies with respect to Owner's execution and delivery of applications and documents required in obtaining permits, licenses, approvals and variances as is provided in Section 12 of this Agreement.

10. **Duty to Vacate Easement Areas**. Subject to the provisions of Sections 7(d) and 15(a) of this Agreement, on or before the Expiration Date, Developer shall quit and vacate the Easement Areas, in good order and condition, and Developer shall remove all of its equipment, materials and property (and all equipment, materials and property of Developer's Agents and any other person or entity claiming by, through or under Developer) (collectively, "Developer Materials") from the Easement Areas and promptly repair and restore, at Developer's sole cost and expense, any damage to the Easement Areas and the Owner Premises caused by such removal, and Developer shall not remain in occupancy, or make any request to remain in occupancy thereof, for any reason whatsoever. If the Easement Areas are not vacated as and at the time and in the condition required by this Agreement after the Expiration Date, Developer shall be liable to Owner for any actual costs incurred by Owner in removing or causing the removal of Developer Materials from the Owner Premises or in repairing and restoring any damage to the Easement Areas and/or the Owner Premises caused by such removal, including,

without limitation, reasonable attorneys' fees and disbursements. In no event shall any provision hereof or otherwise be construed as permitting Developer to remain in occupancy of the Easement Areas after the Expiration Date, except and to the extent required in connection with any Maintenance and Repair. Notwithstanding the foregoing, it is understood and agreed that any underpinning and tie backs shall be permitted to remain to the extent necessary for the continuing safety and structural integrity of the Owner Premises, which shall be maintained by Developer at its sole cost and expense.

11. **No Liens and Encumbrances**. Developer shall have no power to do any act or to make any contract which may create or give rise to any lien, mortgage or other encumbrance on the Owner Parcel. If any lien shall at any time be filed against the Easement Areas or the Owner Parcel by reason of any work, labor, services or materials done for, or supplied to, or claimed to have been done for, or supplied to, Developer or anyone holding the Easement Areas through or under Developer, Developer shall cause the same to be discharged of record or adequately bonded (unless otherwise secured to the satisfaction of Owner) within fifteen (15) days after the date Developer has received notice of the filing of such lien. If Developer shall fail to do so, then, Owner may, but shall not be obligated to, procure the discharge of the same either by paying the amount claimed to be due, by deposit in a court of competent jurisdiction or by bonding. Any amount paid or deposited by Owner for any such purpose, and all other expenses of Owner, including reasonable attorney's fees and disbursements, shall be payable by Developer to Owner within ten (10) days of Owner's bill therefor and, in the event of Developer's failure to reimburse Owner within ten (10) days after receipt of Owner's bill, Owner shall have the right to place a lien against Developer's Parcel for the amount paid by Owner to discharge the lien.

12. **Cooperation**. Owner covenants and agrees to cooperate with Developer in all reasonable respects, but at the sole cost and expense of Developer, with Developer's performance of the Access Work, Impact Work, Protective Work or any work necessary for the Developer to construct the Developer Building (including the Cantilever), including obtaining any permits and approvals required in connection with Developer's exercise of its access and easements rights and the performance of Underpinning. Owner shall execute and deliver any applications or other documents that require signature of Owner within ten (10) days after request therefor by Developer, provided that such applications or documents are consistent with the terms of this Agreement and necessary for the maintenance of the buildings on the Merged Zoning Lot in sound, good condition. In the event that Owner shall not have executed and delivered, within such ten (10) day period, any of the applications or documents to which reference is herein made, then Developer shall serve Owner with a further notice requiring a response in ten (10) days. If Owner shall fail to execute and deliver the documents requested with such second ten (10) day period, then Developer may execute any such applications or documents, on behalf of, and as attorney-in-fact for Owner. In furtherance of the foregoing, Owner hereby irrevocably appoints Developer as its true and lawful attorney-in-fact, coupled with an interest, to execute on its behalf any and all such consents, documents or applications.

13. **Representatives**. Owner and Developer hereby designate the following representatives who shall be available in connection with any issues, including emergencies, related to the Protective Work:

Owner's Representative:

Islam Sulejman (646) 739-3397 or
Jonathan Cagnazzo (212) 896-8600

Developer's Representative:

Seth Goldman (212) 554-3704

Owner and Developer shall each have the right, at any time, to change its respective Representative by providing notice to the other party in accordance with Section 18 hereof.

14. **Insurance**. Throughout the performance of any Initial Construction, Developer shall carry and maintain, and shall cause its contractors to carry and maintain, at all times:

(a) Builder's risk and commercial general liability insurance against claims for bodily injury, including personal injury or death, and property damage occurring upon, in or about the Owner Premises and the Easement Areas, with minimum coverage of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate coverage per single accident or disaster on a per location/ per project basis, together with umbrella liability insurance on a following form per project/location basis in the amount of either (i) Ten Million Dollars ($10,000,000), or (ii) if a tower crane is used to perform the Initial Construction, Eighty Million Dollars ($80,000,000). Such insurance shall include completed operations, blanket contractual liability and independent contractors' protective coverage;

(b) statutory worker's compensation, including employers' liability and other required statutory forms of insurance, in statutory limits (but with respect to Developer, only to the extent Developer has any employees);

(c) all such insurance required to be maintained by Developer shall name Owner and its mortgagee, if any, as additional insureds and shall be written with a company or companies reasonably satisfactory to Owner, having a policyholder rating of at least "A-" and be assigned a financial size category of at least "Class V-III" as rated in the most recent edition of "Best's Key Rating Guide" for insurance companies, and authorized to engage in the business of insurance in New York State. Such insurance shall be primary, non-contributory, shall cover premises, operations and ongoing operations, and shall cover completed operations for a period of at least six (6) years following completion of the Construction. The policy may not include an exclusion for construction and/or work performed on a residential project or condominium development or an exclusion for claims brought by injured workers (i.e, action over claims). The policy shall include a waiver of subrogation and shall further provide that the same may not be canceled, terminated or modified unless the insurer gives Owner at least thirty (30) days' prior written notice thereof. Prior to commencing the Adjacent Property Work, Developer shall provide Owner with copies of such certificates of insurance, evidencing the foregoing insurance.

15. **Event of Default**.

(a) If Developer shall default in the performance of any of its material obligations hereunder (each, an "Event of Default") and such Event of Default shall continue for thirty (30) days after Owner gives Developer notice thereof (or such longer period as may be necessary to cure such default provided that Developer has commenced such cure within the aforesaid thirty (30) day period and is diligently prosecuting the same), Owner shall, in addition to any other remedies it may have, at law, in equity, by statute or pursuant to this Agreement, have the right to (i) cure such default and Developer shall reimburse Owner for the documented third party costs it has incurred for such cure within five (5) business days after demand, plus interest thereon at the prime rate as established from time to time by Citibank, N.A. from such fifth (5th) business day after demand until the date of payment (provided nothing herein shall be deemed to grant Owner a license to enter upon the Developer Premises in connection with the exercise of such cure rights, or (ii) compel Developer's performance hereunder by an action for specific performance. Notwithstanding the foregoing, nothing contained herein shall require Developer to pursue the completion of the Developer Building, provided, however, that if, after commencement of any of the Access Work, Developer thereafter ceases or interrupts construction activities on the Developer Premises for a period of twelve (12) continuous months or more, or for any period that continues beyond the Expiration Date, Developer shall, at its sole cost and expense, remove any and all materials or constructions theretofore placed on the Owner Premises (and repair any and all damage to the Owner Premises caused by such removal) until such construction activities on the Developer Premises shall resume (provided such construction activities resume prior to the Expiration Date) and, in the event of its failure to do so, shall pay the damages provided in Section 10 of this Agreement.

(b) If Owner shall default in the performance of any of its material obligations hereunder (each, an Event of Default) and such Event of Default shall continue for thirty (30) days after Developer gives Owner notice thereof (or such longer period as may be necessary to cure such default provided that Owner has commenced such cure within the aforesaid thirty (30) day period and is diligently prosecuting the same), Developer shall, in addition to any other remedies it may have, at law, in equity, by statute or pursuant to this Agreement, have the right to (i) cure such default and Owner shall reimburse Developer for the documented third party costs it has incurred for such cure within five (5) business days after demand, plus interest thereon at the prime rate as established from time to time by Citibank, N.A. from such fifth (5th) business day after demand until the date of payment (provided nothing herein shall be deemed to grant Developer any easement to enter upon the Owner Premises in connection with the exercise of such cure rights, except to the extent already provided by this Agreement), or (ii) compel Owner's performance hereunder by an action for specific performance.

16. **Indemnity.** (a) Developer will defend, indemnify and hold harmless Owner, and Owner's directors, officers, shareholders, unit owners, contractors, consultants, employees, representatives and agents (all of the foregoing, for purposes of this Section 16(a) only, "Owner") from and against any and all claims, damages, losses, liabilities, harms, costs, judgments and expenses (including, without limitation, reasonable attorneys' fees and disbursements) ("Claims") suffered or incurred by Owner (including, without limitation, arising out of damage to property or death or injury to any person) arising out of, in connection with, or resulting from the Initial Construction; it being understood that Owner shall not be indemnified

to the extent of any Claims arising or resulting from (i) the gross negligence or willful misconduct of Owner, (ii) except as otherwise provided in Section 2(h) of this Agreement, any pre-existing condition affecting the Owner Parcel or any defect or liability upon the Owner Parcel which in each case is merely discovered by Developer in connection with any activities permitted pursuant to this Agreement, (iii) any violation by Owner of this Agreement, (iv) any claim by shareholders of Owner or third persons with respect to the Office Advance or the conditions during Initial Construction that were deemed to warrant the Office Advance, but only if Developer is not in default in the performance of its obligations under this Agreement with respect thereto; or (v) any consequential, exemplary or punitive damages (except as otherwise provided in Section 8(h) of this Agreement). Nothing contained in this indemnity shall be deemed to expand Developer's obligations for the payment of Owner's professional fees as provided in the Purchase Agreement, unless such expense arises out of a default by Developer in the performance of its obligations hereunder, or from the negligence or misconduct of Developer or Developer's employees, agents, professionals or contractors.

(b) In case any action, suit or proceeding shall be brought or any claim is made with respect to which Owner is entitled to indemnification under this Section 16, Owner shall provide written notice to Developer promptly after Owner has actual knowledge of the action, suit, proceeding or claim as to which such indemnification may be sought, describing in reasonable detail the facts and circumstances giving rise to such indemnification claim.

(c) Developer shall have the sole right to defend or compromise (to the extent that Owner has such right), any action, suit, proceeding or claim for which indemnification is sought, and, at Developer's expense, Owner shall cooperate with all reasonable requests of Developer in connection therewith. Owner shall supply Developer and its insurer with such information and documents, and shall make such personnel available, as may be reasonably requested by Developer or such insurer and are reasonably necessary for Developer or such insurer to investigate, defend and/or participate in any indemnification claim. Developer shall reimburse Owner for the reasonable third-party costs incurred by Owner in connection with this subsection.

(d) Where Developer undertakes the defense of Owner with respect to an action, suit, proceeding or claim for which indemnification is sought, and the same is being defended in a commercially reasonable manner, no additional legal fees or expenses of Owner in connection with the defense of such action, suit, proceeding or claim shall be covered under this Section 16, unless such fees or expenses were incurred at the request of Developer, such as, for example, Section 16(c) hereinabove.

(e) Developer shall not enter into any settlement or other compromise with respect to any action, suit, proceeding or claim for which indemnification may be sought under this Section 16, without the prior written consent of Owner, unless Developer obtains the full and unconditional written release of Owner with respect to such action, suit, proceeding or claim in form and substance reasonably acceptable to Owner. Owner shall not enter into any settlement or other compromise with respect to any action, suit, proceeding or claim without the prior written consent of Developer unless (1) Owner waives in writing its rights to be indemnified under this Section 16, with respect to any and all claims, losses, liabilities, costs and expenses

arising out of such action, suit, proceeding or claim and (2) provides Developer with a full and unconditional release with respect to any claims arising against Owner by reason of Section 16(a) above.

17. **Binding Effect**. All of the grants, interests, easements, covenants, agreements and conditions contained in this Agreement:

(a) shall run with the lands and buildings affected and the parties' respective interests therein;

(b) shall inure to the benefit of and be binding upon every party having any right, title or interest therein or any part thereof and the heirs, distributees, successors and assigns of any such party, and any mortgagee of such party which may become a "mortgagee-in-possession", a Developer who acquires title to the Developer Parcel or the Owner Parcel through a foreclosure proceeding or a "deed in lieu of foreclosure" or their respective heirs, distributees, successors and assigns;

(c) shall, to the extent rights hereunder are assigned to the holder of any mortgage encumbering any of the properties affected by this Agreement or any interest therein, be enforceable by any such assignee as provided under any such mortgage or documents ancillary thereto; and

(d) shall bind any third party who shall acquire any interest whatsoever in the Owner Parcel or the Developer Parcel, whether from a party hereto or its heirs, legal representatives, successors or assigns, and such third party's interest shall be subordinate to the provisions of this Agreement as if such third party had been a signatory to this Agreement.

18. **Further Assurances**. Owner and Developer each agree to execute, acknowledge and deliver such further instruments, and take such other or further actions as may be reasonably required in order to carry out and effectuate the intent and purpose of this Agreement, or to confirm or perfect any right to be created or transferred hereunder, all at the sole cost and expense of the party requesting such further assurances.

19. **Remedies**. In the event of any breach or threatened breach of this Agreement by any party hereto, the other party shall have the right to any remedy available at law or in equity, including but not limited to injunctive relief and specific performance.

20. **Limitation of Liability**. Notwithstanding anything to the contrary contained herein, each party hereto shall look only to the other party's then estate in the Owner Parcel or the Developer Parcel, as the case may be, including insurance proceeds if applicable, for the satisfaction of their respective remedies, and no other property or assets of the other party or its principals, officers, directors, trustees, members and partners disclosed or undisclosed, shall be subject to levy, execution or other enforcement procedure for the satisfaction of the first party's remedies hereunder.

21. **Notices**. Except as may be otherwise expressly provided in this Agreement, any bills, statements, notices, demands, requests, approvals, consents or other communications given or required to be given under or in connection with this Agreement ("Notices") shall be effective only if (a) in writing, (b) (i) sent by United States registered or certified mail, return receipt requested, postage prepaid; or (ii) delivered by hand; or (iii) sent by nationally recognized overnight courier services, and (c) addressed as follows:

| | |
|---|---|
| To Owner: | 33 East 22nd Street Tenants Corp.<br>33 East 22nd Street, Apt. 3E<br>New York, New York 10010<br>Attention: Michael Osheowitz<br>Telephone: (917) 596-2309 |
| with a copy to: | Smith, Gambrell & Russell, LLP<br>250 Park Avenue, Suite 1900<br>New York, New York 10177<br>Attention: Elliot H. Zuckerman, Esq.<br>Telephone: (212) 907-9771 |
| To Developer: | East 22nd St. Acquisition Holdings LLC<br>c/o The Continuum Company<br>30 West 21st Street<br>New York, New York 10036<br>Attention: Ian Bruce Eichner<br>Telephone: (212) 554-3700 |
| with a copy to: | Kramer Levin Naftalis & Frankel LLP<br>1177 Avenue of the Americas<br>New York, New York 10036<br>Attention: Neil R. Tucker, Esq.<br>Telephone: (212) 715-9290 |

Each Notice shall be deemed to have been rendered or given (i) on the date delivered, if delivered by hand, (ii) on the next business day, if sent by nationally recognized overnight courier, or (iii) on the date which is three (3) business days after mailing, if mailed as provided in this Section 18. Either party may at any time change the address for Notices to such party by giving a Notice as aforesaid. A Notice may be given by either party or such party's attorney.

22. **Mortgagee Notice**. All notices, demands, consents, approvals, requests or other communications which may be given by any party (the "Notifying Party") pursuant to, under or by virtue of this Agreement shall, in the event either the Owner Parcel or the Developer Parcel is encumbered by a mortgage (a "Mortgage"), also be sent to the mortgagee thereunder (the "Mortgagee"), provided the Notifying Party has been previously given notice that either the Owner Parcel or the Developer Parcel, as the case may be, is encumbered by a Mortgage and the

address for notices to such Mortgagee. All notices under this Section 19 shall be given in the same manner as provided in Section 18 hereof.

23. **No Oral Agreements; Integration**. Except as stated in this Agreement and the exhibits and schedules annexed hereto, this Agreement contains all the promises, agreements, conditions, inducements and understandings between the parties relative to the matters stated herein and therein, and there are no promises, agreements, conditions, understandings, inducements, warranties or representations, expressed or implied, between the parties other than as set forth herein and therein. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings of the parties in connection herewith, other than with respect to any agreement between the parties hereto either (i) executed and delivered simultaneously with this Agreement, and/or (ii) which, implicitly or explicitly, by its terms survives the execution of this Agreement and/or the closing thereof, including, without limitation, Article XX of the Purchase Agreement. This Agreement may not be modified, amended or terminated except by an instrument in writing signed by the parties hereto.

24. **Estoppel Certificates**. Whenever requested by a party, the other party shall within ten (10) business days thereafter furnish to the requesting party a written certificate setting forth: (i) whether this Agreement is in full force and effect; (ii) the extent to which this Agreement has been assigned, modified or amended by any instrument, whether or not of record (and if it has, then stating the nature thereof); (iii) whether the other party has served any written notice of default under this Agreement, which default remains uncured; (iv) that the certificate may be relied upon by the requesting party; and (v) that, to the best of its knowledge, there exists no state of facts which, with the giving of notice, the passage of time, or both, would constitute a default by the requesting party under this Agreement. Such certificate shall act as a waiver of any claim by the party furnishing such certificate to the extent such claim is based upon facts which are contrary to those asserted in the certificate but only to the extent the claim is asserted against a bona fide encumbrancer or Developer for value without knowledge of facts contrary to those contained in the certificate and who has acted in reasonable reliance upon the certificate. Such certificate shall in no event subject the party furnishing it to any liability whatsoever (except for fraud), notwithstanding the negligent or inadvertent failure of such party to disclose correct or relevant information.

25. **Recording**. This Agreement shall be recorded in the Office of the City Register for New York County against both the Developer Parcel and the Owner Parcel.

26. **Governing Law; Jurisdiction**.

(a) This Agreement shall be governed by, and construed in all respects in accordance with, the internal laws of the State of New York (without giving effect to New York's principles of conflicts of law).

(b) Each party hereby irrevocably submits to the exclusive jurisdiction of any New York State or Federal court sitting in the Borough of Manhattan, City of New York over any suit, action or proceeding commenced by or on behalf of any party hereto arising out of, or

relating to, this Agreement. To the extent permitted by applicable law, Owner and Developer hereby waive trial by jury in any action or proceeding, and with respect to any claim asserted in any such action or proceeding, brought by either of the parties against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of Owner and Developer, any claim of injury or damage, or any emergency or other statutory remedy with respect thereto. Owner and Developer each hereby agree and consent that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any New York State or Federal court sitting in the Borough of Manhattan, City of New York may be made by certified or registered mail, return receipt requested, directed to such party at the address indicated in Section 18 hereof, and service so made shall be complete three (3) days after the same shall have been mailed.

27. **Non-Waiver of Performance**. Any failure by a party hereto (collectively and/or individually referred to herein as the "non-waiving party") to insist upon the strict performance by the other party hereto of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the nonwaiving party, notwithstanding 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 the other party.

28. **Pronouns, etc.** All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require. 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 a contrary intent is expressly set forth.

29. **Counterparts**. 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 taken together shall be construed as and shall constitute but one and the same instrument.

30. **Severability.** If any term of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law, with the parties hereto covenanting nonetheless to negotiate in good faith, in order to agree upon the terms of a mutually satisfactory provision to be substituted for the term or provision which is void or unenforceable.

31. **Captions; Headings**. The captions, paragraph headings, titles and sections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

32. **Exhibits and Schedules**. Each of the exhibits and schedules referred to herein and attached hereto is incorporated herein by this reference.

**[Signature Page Follows]**

**IN WITNESS WHEREOF**, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

**OWNER**:

33 EAST 22ND STREET TENANTS CORP.

By:_____
Name: Michael Osheowitz
Title: President

**DEVELOPER**:

EAST 22ND ST. ACQUISITION HOLDINGS LLC

By:_____
Name: Ian Bruce Eichner
Title: Authorized Signatory

**IN WITNESS WHEREOF**, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

**OWNER**:

33 EAST 22ND STREET TENANTS CORP.

By:_____
Name: Michael Osheowitz
Title: President

**DEVELOPER**:

EAST 22ND ST. ACQUISITION HOLDINGS LLC

By:_____
Name: Ian Bruce Eichner
Title: Authorized Signatory

STATE OF NEW YORK )
)ss.:
COUNTY OF NEW YORK )

On the 6 day of June in the year 2012 before me, the undersigned, personally appeared Michael Osheowitz, 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 or entity upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

MATTHEW L. GOLDGRUB
NOTARY PUBLIC, State of New York
No. 02GO6256359
Qualified in New York County
Commission Expires February 27, 2016

STATE OF NEW YORK )
)ss.:
COUNTY OF NEW YORK )

On the _____ day of _____ in the year 2012 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 or entity 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 2012 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 or entity upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK )
)ss.:
COUNTY OF NEW YORK )

On the 31 day of May in the year 2012 before me, the undersigned, personally appeared Jon Bruce Eichner, 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 or entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SHARON H. McCULLOCH
Notary Public, State of New York
No 01MC6224121
Qualified in New York County
Commission Expires. June 28, 2014

**EXHIBIT "A"**

Legal Description – Owner Land

Block 851 Lot 28:

ALL that certain plot, piece or parcel of land situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the Northerly side of East 22nd Street, distant 175 feet Westerly from the corner formed by the intersection of the Northerly side of East 22nd Street and the Westerly side of Park Avenue South (formerly known as 4th Avenue);

RUNNING THENCE Northerly parallel to Park Avenue South, part of the way through a party wall, 98 feet 9 inches to the center line of the block;

THENCE Westerly along the center line of the block 98 feet;

THENCE Southerly again parallel with Park Avenue South and part of the distance through another party wall 98 feet 9 inches to the Northerly side of East 22nd Street; and

THENCE Easterly along the Northerly side of East 22nd Street, 98 feet to the point or place of BEGINNING.

**EXHIBIT "B"**

Legal Description – Developer Land

Block 851 Lot 32:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 22nd Street, which is distant 125 feet westerly from the corner formed by the intersection of the westerly side of Park Avenue South formerly Fourth Avenue, with the said northerly side of 22nd Street;

RUNNING THENCE northerly parallel with Park Avenue South and part of the distance through a party wall, a distance of 98 feet 9 inches to the center line of the block;

RUNNING THENCE westerly along the center line of the block and parallel with 22nd Street, a distance of 50 feet to a point opposite the center line of a party wall;

RUNNING THENCE southerly and part of the distance through the center line of a party wall and parallel with Park Avenue South, a distance of 98 feet 9 inches to the northerly side of 22nd Street, and

THENCE easterly along the northerly side of 22nd Street, a distance of 50 feet to the point or place of BEGINNING.

**EXHIBIT "14"**

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**FORM W-9**

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Form **W-9**
(Rev. August 2013)
Department of the Treasury
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

**Give Form to the requester. Do not send to the IRS.**

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

☐ Other (see instructions) ▶

Exemptions (see instructions):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

**Social security number**
☐☐☐ - ☐☐ - ☐☐☐☐

**Employer identification number**
☐☐ - ☐☐☐☐☐☐☐

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

**Sign Here** | **Signature of U.S. person** ▶ | **Date** ▶

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** The IRS has created a page on IRS.gov for information about Form W-9, at *www.irs.gov/w9*. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

**Note.** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

**EXHIBIT "15"**

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**FORM W-8**

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Form **W-8BEN**
(Rev. February 2006)
Department of the Treasury
Internal Revenue Service

# Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

| Do not use this form for: | Instead, use Form: |
|---|---|
| • A U.S. citizen or other U.S. person, including a resident alien individual | W-9 |
| • A person claiming that income is effectively connected with the conduct of a trade or business in the United States | W-8ECI |
| • A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) | W-8ECI or W-8IMY |
| • A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) | W-8ECI or W-8EXP |

**Note:** *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

| | |
|---|---|
| • A person acting as an intermediary | W-8IMY |

**Note:** *See instructions for additional exceptions.*

## Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

## Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article of the treaty identified on line 9a above to claim a % rate of withholding on (specify type of income):

Explain the reasons the beneficial owner meets the terms of the treaty article:

## Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

## Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,

2 The beneficial owner is not a U.S. person,

3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, **and**

4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

**Sign Here** ▶ Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY) Capacity in which acting

**EXHIBIT "16"**

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# ZONING LOT DEVELOPMENT AND EASEMENT AGREEMENT

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**NYC DEPARTMENT OF FINANCE**
**OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2013061201469022002E5F8D

**RECORDING AND ENDORSEMENT COVER PAGE** PAGE 1 OF 41

**Document ID:** 2013061201469022 Document Date: 06-07-2013 Preparation Date: 07-26-2013
Document Type: AGREEMENT
Document Page Count: 39

**PRESENTER:**
KENSINGTON VANGUARD
39 WEST 37TH STREET, TITLE NO.811722
HOLD/ PICKUP SEARCH NY
NEW YORK, NY 10018
212-532-8686
chrisc@KVNATIONAL.COM

**RETURN TO:**
KRAMER LEVIN NAFTALIS & FRANKEL LLP
1177 AVENUE OF THE AMERICAS
ATTENTION: NEIL R. TUCKER, ESQ.
NEW YORK, NY 10036

**PROPERTY DATA**

| Borough | Block | Lot | | Unit | Address |
|---|---|---|---|---|---|
| MANHATTAN | 851 | 1801 | Entire Lot | COM | 29 EAST 22ND STREET |

**Property Type:** COMMERCIAL REAL ESTATE Air Rights

| Borough | Block | Lot | | Unit | Address |
|---|---|---|---|---|---|
| MANHATTAN | 851 | 1802 | Entire Lot | RES | 29 EAST 22ND STREET |

**Property Type:** COMMERCIAL REAL ESTATE Air Rights

☒ Additional Properties on Continuation Page

**CROSS REFERENCE DATA**

CRFN_____ *or* DocumentID_____ *or* _____ Year_____ Reel____ Page_____ *or* File Number_____

**PARTIES**

**PARTY 1:**
BOARD OF MANAGERS OF THE GRAMERCY 29 CONDOMINIUM
CONDOMINIUM, 29 EAST 22ND STREET
NEW YORK, NY 10010

**PARTY 2:**
EAST 22ND ST. ACQUISITION HOLDINGS LLC
C/O THE CONTINUUM COMPANY, LLC, 30 WEST 21ST STREET, 11TH FLOOR
NEW YORK, NY 10010

**FEES AND TAXES**

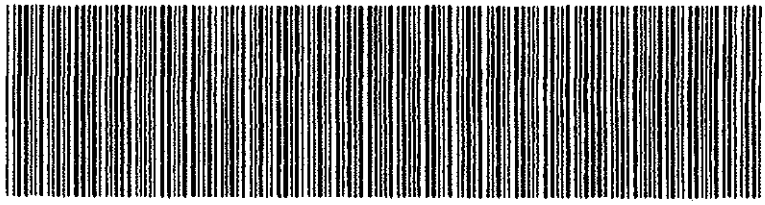
| **Mortgage :** | | |
|---|---|---|
| Mortgage Amount: | $ | 0.00 |
| Taxable Mortgage Amount: | $ | 0.00 |
| Exemption: | | |
| TAXES: County (Basic): | $ | 0.00 |
| City (Additional): | $ | 0.00 |
| Spec (Additional): | $ | 0.00 |
| TASF: | $ | 0.00 |
| MTA: | $ | 0.00 |
| NYCTA: | $ | 0.00 |
| Additional MRT: | $ | 0.00 |
| TOTAL: | $ | 0.00 |
| Recording Fee: | $ | 238.00 |
| Affidavit Fee: | $ | 0.00 |

| | |
|---|---|
| Filing Fee: | $ 100.00 |
| NYC Real Property Transfer Tax: | $ 33,805.08 |
| NYS Real Estate Transfer Tax: | $ 5,152.00 |

**RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK**
Recorded/Filed 07-26-2013 15:41
City Register File No.(CRFN): **2013000295163**

*City Register Official Signature*

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER



2013061201469022002C5D0D

**RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION)** **PAGE 2 OF 41**

**Document ID: 2013061201469022** Document Date: 06-07-2013 Preparation Date: 07-26-2013
Document Type: AGREEMENT

**PROPERTY DATA**

| Borough | Block | Lot | | Unit | Address |
|---|---|---|---|---|---|
| MANHATTAN | 851 | 32 | Entire Lot | | 41-43 EAST 22ND STREET |

**Property Type:** APARTMENT BUILDING

811722

# ZONING LOT DEVELOPMENT AGREEMENT

**NEW YORK COUNTY**
**BLOCK 851**
**LOTS 1801, 1802 and 32**

**RECORD AND RETURN TO:**

**KRAMER LEVIN NAFTALIS & FRANKEL LLP**
**1177 AVENUE OF THE AMERICAS**
**NEW YORK, NEW YORK 10036**
**ATTENTION: NEIL R. TUCKER, ESQ.**

## ZONING LOT DEVELOPMENT AGREEMENT

**THIS ZONING LOT DEVELOPMENT AGREEMENT** (this "Agreement"), made as of the 7 day of June, 2013, by and between BOARD OF MANAGERS OF THE GRAMERCY 29 CONDOMINIUM ("Owner"), having an address at 29 East 22nd Street, New York, New York 10010 and EAST 22nd ST. ACQUISITION HOLDINGS LLC ("Developer"), a New York limited liability company, having an address at 30 West 21st Street, 11th Floor, New York, New York 10010.

**WITNESSETH:**

**WHEREAS**, the land, with the building and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lots 1801 and 1802 in Block 851 on the Tax Map of the City of New York, and as and by the street address 29 East 22nd Street, New York, New York, and more particularly described on **Exhibit "A"** annexed hereto and made a part hereof were submitted to a condominium regime pursuant to that certain Declaration of Condominium dated January 31, 2008 pursuant to Article 9-B of the Real Property Law of the State of New York; such condominium is known as the Gramercy 29 Condominium (the "Condominium"); and said land, building and improvements being herein called the "Owner Parcel");

**WHEREAS**, Residential Owner is the owner in fee of the residential unit (the "Residential Unit") located in the Condominium, known as Lot 1801 in Block 851 on the Tax Map;

**WHEREAS**, Commercial Owner is the owner in fee of the commercial unit (the "Commercial Unit") located in the Condominium, known as Lot 1802 in Block 851 on the Tax Map;

**WHEREAS**, Owner is the governing body of the Condominium and is authorized to execute this Agreement on behalf of the Residential Owner and Commercial Owner;

**WHEREAS**, Developer is the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 32 in Block 851 on the Tax Map, and as and by the street address 43 East 22nd Street, New York, New York, and more particularly described on **Exhibit "B"** annexed hereto and made a part hereof (the "Developer Land"; the building and improvements thereon are herein referred to as the "Existing Developer Building");

**WHEREAS**, Developer has combined or simultaneously herewith will combine into a single zoning lot with the Developer Parcel (the "Existing Merged Zoning Lot") one or more of the following parcels of land by one or more declarations of the zoning lot restrictions, to be recorded in the Office of the City Register, New York County: (i) the land located in the Borough of Manhattan, City, County and State of New York, known as Lot 28 in Block 851 on

the Tax Map, and as and by the street address 33-39 East 22nd Street, New York, New York (the "33 East 22 Parcel"), (ii) the land located in the Borough of Manhattan, City, County and State of New York, known as Lots 1501-1511 in Block 851 on the Tax Map, and as and by the street address 27 East 22nd Street, New York, New York (the "27 East 22 Parcel"), (iii) the land located in the Borough of Manhattan, City, County and State of New York, known as Lot 22 in Block 851 on the Tax Map, and as and by the street address 25 East 22nd Street, New York, New York (the "25 East 22 Parcel"), (iv) the land located in the Borough of Manhattan, City, County and State of New York, known as Lot 34 in Block 851 on the Tax Map, and as and by the street address 45 East 22nd Street, New York, New York (the "45 East 22 Parcel"), and (v) the land located in the Borough of Manhattan, City, County and State of New York, known as Lot 49 in Block 851 on the Tax Map, and as and by the street address 40 East 23rd Street, New York, New York (the "40 East 23 Parcel");

**WHEREAS**, Developer may demolish the Existing Developer Building and construct a new building, all or a portion of which will be on the Developer Land, and construct other improvements associated with such new building (the new building and improvements, together with any additions thereto or future alterations thereto or replacements, repairs or rebuilding thereof not prohibited by the provisions of this Agreement, are herein collectively referred to as the "Developer Building"; and the Developer Land and the Existing Developer Building or the Developer Building, as the case may be, are herein collectively referred to as the "Developer Parcel");

**WHEREAS**, Developer is the contract vendee of or is simultaneously herewith acquiring, inter alia, certain excess Development Rights (as hereinafter defined) appurtenant to (i) the 25 East 22 Parcel and the 27 East 22 Parcel (collectively, the "Non-Contiguous Air Rights Parcels"), and (iii) the 33 East 22 Parcel, the 45 East 22 Parcel and the 40 East 23 Parcel; all of the foregoing, collectively, the "Air Rights Parcels"; such excess Development Rights, the "Air Rights Parcels Excess Development Rights");

**WHEREAS**, the Developer Parcel is not contiguous as required for the transfer of the Air Rights Parcels Excess Development Rights from the Non-Contiguous Air Rights Parcels and certain Additional Parcels (as hereinafter defined) to the Developer Parcel;

**WHEREAS**, the Owner Building contains more floor area, as defined in the Zoning Resolution (as hereinafter defined) than is now available for use on the Owner Parcel pursuant to the Zoning Resolution and the Parties have agreed that Owner may retain such floor area, subject to the terms and conditions of this Agreement;

**WHEREAS**, the parties hereto are simultaneously herewith executing (i) a Declaration of Zoning Lot Restrictions (the "Declaration") in accordance with certain provisions set forth in a definition of the term "zoning lot" in Section 12-10 of the Zoning Resolution in order to create a single zoning lot of the Existing Merged Zoning Lot, and the Owner Parcel (such zoning lot, as the same may be enlarged in accordance with the Declaration and the terms of this Agreement, is herein referred to as the "Merged Zoning Lot"), and (ii) such other agreements, easements and licenses as are necessary to effectuate the intent of the parties in

connection with this Agreement (the Declaration and such other agreements, easements and licenses are herein collectively referred to as the "Zoning Documents");

**WHEREAS**, the Developer Parcel and/or the Merged Zoning Lot may be the receiving site of a transfer of certain Additional Development Rights (as hereinafter defined) and Developer may acquire such Additional Development Rights for utilization on Developer Parcel or the Merged Zoning Lot (other than the Owner Parcel);

**WHEREAS**, all parties in interest (as defined in the Zoning Resolution) to the Merged Zoning Lot as shown on the Zoning Lot Certification of Kensington Vanguard National Land Services of N.Y., as agent for Stewart Title Insurance Company ("Certification"), annexed hereto as **Exhibit "C"**, have joined in the Declaration or have waived or have previously waived their right to do so and have either executed this Agreement, or subordinated or previously subordinated thereto; and

**WHEREAS**, the parties hereto wish to set forth certain agreements with respect to their rights and obligations in and to the Merged Zoning Lot and other matters.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged, the parties hereto hereby covenant and agree as follows:

1. Certain Definitions. As used herein:

(a) "Additional Development Rights" shall mean any additional Development Rights that may become available to the Developer Parcel or the Merged Zoning Lot, (either by expansion of the Merged Zoning Lot by adding Additional Parcels, by special permit, variance, by acquiring bonus floor area and other development rights which may be available for inclusion in a building constructed on the Developer Parcel either (i) by reason of the provision of an amenity or public benefit whether or not such amenity or public benefit is located on the Merged Zoning Lot, or (ii) as the result of a transfer of Development Rights pursuant to Section 23-90 or any other applicable section of the Zoning Resolution or by any other procedure or transfer allowed under the provisions of the Zoning Resolution, including, without limitation, Sections 34-223, 35-35; 74-711; 74-79 et seq. and 23-90 et seq. thereof). Notwithstanding anything in the foregoing that may be deemed to be to the contrary, the Additional Development Rights shall not include any increased Development Rights that may become appurtenant to the Merged Zoning that are allocated to Owner pursuant to Section 2(k) hereof.

(b) "Additional Parcel(s)" shall have the meaning set forth in Section 9(a) hereof.

(c) "Agency(ies)" shall mean the New York City Planning Commission, the Department of City Planning of the City of New York, the City Council of the City of New York, the New York City Department of Buildings, the Board of Standards and

Appeals of the City of New York, the New York City Landmarks Preservation Commission, the Manhattan Borough President, any community board, any other municipal agencies, court or department, or any department, court or agency of the State of New York or the United States of America or any successor entity to any of the foregoing.

(d) "Datum Level" shall mean the Datum level used by the Topographical Bureau, Borough of Manhattan, which is 2.75 feet above the United States Coast and Geodetic Survey Datum, mean sea level, Sandy Hook, New Jersey.

(e) "Developer Development Rights" shall mean the aggregate of (i) the Development Rights appurtenant to the Developer Parcel (considered as if the Developer Parcel were a separate zoning lot), (ii) the Air Rights Parcels Excess Development Rights, and (iii) any Additional Development Rights.

(f) "Development Rights" shall mean the rights, as determined in accordance with the Zoning Resolution, which are appurtenant to a zoning lot, to develop the zoning lot by erecting or adding thereon a structure or structures with a total floor area determined by (i) multiplying the area of the zoning lot by the floor area ratio established for the zoning district or districts in which the zoning lot is located, (ii) the inclusion of any bonus floor area available to the zoning lot pursuant to the Zoning Resolution, and (iii) the further inclusion of any use, bulk, density, and other development rights permitted under the Zoning Resolution and which may be authorized to be developed by the appropriate agency of the City of New York from time to time.

(g) "DOB" shall mean the Department of Buildings of the City of New York or any successor to its jurisdiction.

(h) "Rebuilding" shall mean any construction, addition, reconstruction, replacement, repair or rebuilding of the Owner Building or the Developer Building, as the case may be, whether following a casualty or otherwise.

(i) "Utilized Development Rights" shall mean the Development Rights appurtenant to the Owner Parcel utilized by the building and improvements located thereon as of the date of this Agreement.

(j) "Violation" shall mean any violation of the Zoning Resolution or any building code, fire code, or other law, ordinance or regulation as evidenced by a writing, such as an objection or letter, issued by the DOB or any other agency having jurisdiction, that prevents the issuance or maintenance of a temporary or permanent Certificate of Occupancy for any building located on the Merged Zoning Lot or prevents the issuance or maintenance of a building permit or any other permits or approvals required by law to build on any parcel that is part of the Merged Zoning Lot or create a new or increase an existing non-compliance or nonconformance by any building located on the Merged Zoning Lot with the Zoning Resolution.

(k) "Zoning Resolution" shall mean the Zoning Resolution of the City of New York, as in effect as of the date hereof and as amended or restated from time to time hereafter.

(l) Undefined terms used in this Agreement which are defined in the Zoning Resolution -- such as, without limitation, the terms "bulk," "community facility," "curb level", "dwelling unit", "height," "floor area," "floor area ratio," "lot area," "lot coverage," "party in interest," "rooms" and "zoning lot" -- shall be defined and construed as those terms are defined in and construed pursuant to Section 12-10 of the Zoning Resolution.

2. Development Limitations.

(a) Owner hereby grants and conveys to Developer and its successors and assigns the right to enable the transfer of (i) the Air Rights Parcels Excess Development Rights to the Developer Parcel, and (ii) any Additional Development Rights from any Additional Parcels to the Developer Parcel, which right shall specifically include the right to expand the Merged Zoning Lot from time to time without the further need of Owner's consent, provided such expansion shall be in accordance with the provisions of this Agreement.

(b) Owner covenants and agrees that no Rebuilding of the Owner Building shall be made so as to create or increase the degree of a non-compliance by the Developer Building with any requirement of the Zoning Resolution at the time of such Rebuilding if such non-compliance would affect Developer's right to obtain or maintain a Certificate of Occupancy for the Developer Building, or would affect Developer's right to construct, maintain, alter or occupy the Developer Building. Notwithstanding the foregoing, it is acknowledged and agreed that the Utilized Development Rights as of the date hereof exceed the floor area now available to the Owner Parcel and accordingly, the Owner Building is a non-complying building under the Zoning Resolution and that any Rebuilding of the Owner Building may incorporate all of the Utilized Development Rights, as the same may be increased or decreased by a validly enacted amendment to the Zoning Resolution or variance thereof or pursuant to the terms hereof, provided that no Rebuilding of the Owner Building shall be made so as to utilize any Development Rights allowed to the Developer Parcel or the Merged Zoning Lot pursuant to the Zoning Resolution other than the Utilized Development Rights, as the same may be increased or decreased by a validly enacted amendment to the Zoning Resolution or variance thereof or pursuant to the terms hereof.

(c) Developer covenants and agrees that no Rebuilding of the Developer Building shall be made (i) so as to create or increase the degree of a non-compliance by the Owner Building with any requirement of the Zoning Resolution at the time of such Rebuilding when the effect of such Rebuilding is considered together with the Development Rights utilized by the Owner Building and the other buildings on the Merged Zoning Lot and/or the effect of any pending Rebuilding of the other buildings on the Merged Zoning Lot, if such noncompliance would affect Owner's right to obtain or

maintain a Certificate of Occupancy for the Owner Building, or would adversely affect Owner's right to construct, maintain, alter or occupy the Owner Building, or (ii) so as to utilize any Utilized Development Rights as the same may be increased or decreased by a validly enacted amendment to the Zoning Resolution or variance thereof or pursuant to the terms hereof.

(d) Notwithstanding anything to the contrary contained in Section 2(b), Owner covenants and agrees that, in the event any applicable law, rule, regulation or ordinance hereafter limits or restricts the Rebuilding of the Owner Building to a manner more restrictive than that provided in Section 2(b), any such Rebuilding shall be accomplished in compliance with such limitation or restriction, subject to Owner's right to obtain permits, variances, special permits or other discretionary land use approvals (provided that the foregoing shall not have any adverse effect on the Developer Development Rights or the Developer Parcel as limited by the Declaration, this Agreement and the Zoning Documents).

(e) Notwithstanding anything to the contrary contained in Section 2(c), Developer covenants and agrees that, in the event any applicable law, rule, regulation or ordinance hereafter limits or restricts the Rebuilding of the Developer Building to a manner more restrictive than that provided in Section 2(c), any such Rebuilding shall be accomplished in compliance with such limitation or restriction, subject to Developer's right to obtain permits, variances, special permits or other discretionary land use approvals (provided that the foregoing shall not have any adverse effect on the Utilized Development Rights or the Owner Parcel as limited by the Declaration, this Agreement and the Zoning Documents).

(f) If, following a validly enacted amendment of the Zoning Resolution reducing the Development Rights appurtenant to the Merged Zoning Lot, the Owner Building (but not the Developer Building) suffers a casualty to the extent that it cannot be rebuilt as it presently exists as of the date hereof pursuant to the provisions of Section 54-41 of the Zoning Resolution (or any subsequent amendment thereto), then, subject to the provisions of Section 2(b), the amount of Rebuilding on the Owner Parcel shall be limited by such downzoning to an amount which allows the Developer Parcel the full benefit, and no reduction, of the Developer Development Rights. Notwithstanding anything in the foregoing that may be deemed to be to the contrary, Developer shall have no right, title or interest in the Utilized Development Rights.

(g) If, following a validly enacted amendment of the Zoning Resolution reducing the Development Rights appurtenant to the Merged Zoning Lot, the Developer Building (but not the Owner Building) suffers a casualty to the extent that it cannot be rebuilt pursuant to the provisions of Section 54-41 of the Zoning Resolution (or any subsequent amendment thereto), then, subject to the provisions of Section 2(c), the total amount of Rebuilding on the Developer Parcel shall be limited by such downzoning to an amount which allows the Owner Parcel the full benefit, and no reduction, of the Utilized Development Rights.

(h) If, following a validly enacted amendment of the Zoning Resolution reducing the Development Rights appurtenant to the Merged Zoning Lot, the Owner Building and the Developer Building simultaneously suffer a casualty, then their Rebuilding shall be subject to the provisions of Section 54-41 of the Zoning Resolution (or any subsequent amendment thereto) as well as the following, and subject to the provisions of Section 2(b), Section 2(c), Section 2(d), and Section 2(e), respectively, any Rebuilding of the Owner Building undertaken by Owner and any Rebuilding of the Developer Building undertaken by Developer shall be limited by such downzoning to such amounts as would allow: (A) the Owner Land the utilization of: one-hundred percent (100%) of the Development Rights appurtenant to the Merged Zoning Lot as of the date of such casualty (which percentage is equivalent to the ratio of (x) the Utilized Development Rights to (y) the total Development Rights available with respect to the Merged Zoning Lot as of the date hereof), and (B) the Developer Land the utilization of the aggregate of: (1) zero percent (0%) of the Development Rights appurtenant to the Merged Zoning Lot as of the date of such casualty (which percentage is equivalent to the ratio of (x) the Developer Development Rights to (y) the total Development Rights available with respect to the Merged Zoning Lot as of the date hereof), and (2) any Additional Development Rights acquired by Developer (as may have been reduced by such downzoning), irrespective of whether construction of the Developer Building has commenced or the Developer Building has been fully constructed).

(i) Developer and Owner agree that following a validly enacted amendment of the Zoning Resolution increasing the Development Rights appurtenant to the Merged Zoning Lot, (A) the Owner Parcel shall be entitled to the portion thereof attributable to the Owner Land as of the date of such amendment (based on the lot area of the Owner Parcel), and (B) the Developer Parcel shall be entitled to the portion thereof attributable to the Developer Land as of the date of such amendment (based on the lot area of the Developer Parcel), together with any other increased Development Rights attributable to the balance of the Merged Zoning Lot.

(j) Owner acknowledges and agrees that Developer and the Developer Parcel shall at all times have the exclusive right to and benefit of any and all Additional Development Rights available to the Merged Zoning Lot acquired by Developer and Owner shall have no rights therein. Notwithstanding the foregoing, it is expressly acknowledged and agreed by Owner that Developer desires to acquire Additional Development Rights from parties other than Owner. In connection therewith, Developer may include the lot area of the Owner Parcel in any application to any Agency in connection with Developer's acquisition of any such Additional Development Rights for purposes of calculating the maximum number of Additional Development Rights that Developer is allowed to utilize pursuant to the Zoning Resolution and subject to the terms of this Agreement. Owner shall cooperate with Developer in all reasonable respects, but at the sole cost and expense of Developer, in connection with Developer's acquisition of any Additional Development Rights (including, without limitation, any bonus floor area), such cooperation to include, to the extent necessary, the execution and delivery of any documents or consents in connection with the foregoing, provided that Developer shall

reimburse Owner for any reasonable out-of-pocket expenses (including, without limitation, any reasonable legal fees incurred by Owner in connection with Owner's review of such documents or consents).

(k) Owner covenants and agrees not to enter into any agreement effecting, or purporting to effect, any further merger of the Merged Zoning Lot, with any parcel of land not, as of the date of this Agreement, contained in the Merged Zoning Lot, without the express approval of Developer.

(l) Developer covenants and agrees not to enter into any agreement effecting, or purporting to effect, any further merger of the Merged Zoning Lot with any parcel of land not, as of the date of this Agreement, contained in the Merged Zoning Lot, if such agreement would, in and of itself, (i) create or increase the degree of a non-compliance by any building on the Merged Zoning Lot with any requirement of the Zoning Resolution, (ii) adversely affect the maintenance of a permanent Certificate of Occupancy for the Owner Building, or (iii) constitute a Violation.

(m) Owner covenants and agrees to cooperate with Developer in all reasonable respects, but at the sole cost and expense of Developer, in connection with any applications, approvals, permits, variances, special permits or other discretionary land use approvals related to the construction of, any Rebuilding of, or any alteration or improvement to, the Developer Building, including, without limitation, the execution and delivery of any such applications, documents or consents in connection with the foregoing documents, provided the same complies with this Agreement, do not materially, adversely affect Owner's right to utilize the Utilized Development Rights or the Owner Parcel, as utilized on the date hereof, and to the extent permitted under and limited by the Declaration and this Agreement, and Developer shall reimburse Owner for any reasonable out-of-pocket expenses incurred by Owner in connection therewith.

(n) Developer covenants and agrees to cooperate with Owner in all reasonable respects, but at the sole cost and expense of Owner, in connection with any applications, approvals, permits, variances, special permits or other discretionary land use approvals related to the construction of, any Rebuilding of, or any alteration or improvement to, the Owner Building, including, without limitation, the execution and delivery of any such applications, documents or consents in connection with the foregoing documents, provided the same complies with this Agreement, do not materially, adversely affect Developer's right to utilize the Developer Development Rights or the Developer Parcel, as utilized on the date hereof, and to the extent permitted under and limited by the Declaration and this Agreement, and Owner shall reimburse Developer for any reasonable out-of-pocket expenses incurred by Developer in connection therewith.

(o) Owner acknowledges that the owners of other properties, whether now a part of or which may hereafter be merged into the Merged Zoning Lot, may have reserved or retained certain Development Rights attributable to their properties, and Owner covenants and agrees not to (i) utilize, or attempt to utilize, in the Owner Parcel all or any portion of any such reserved or retained Development Rights or (ii) make any

application to DOB to incorporate all or any portion of any such Development Rights into the Owner Parcel.

3. Utilization of Development Rights; Cooperation.

(A) Pursuant to the Declaration, Owner and Developer have consented to the creation of the Merged Zoning Lot.

(B) Owner agrees with Developer that, subject to the terms of this Agreement, Developer may incorporate into the Developer Building all of the Developer Development Rights and otherwise utilize the Developer Development Rights at any time hereafter to develop the Developer Parcel. Owner covenants and agrees to take all appropriate steps reasonably requested by Developer to implement the foregoing and the development of the Developer Parcel (provided the same are without liability to Owner and do not conflict with the terms of this Agreement or the Declaration, and Developer shall promptly reimburse Owner for any reasonable out-of-pocket expenses incurred by Owner in connection therewith; and provided, further, that the same do not materially, adversely affect Owner's right to utilize the Utilized Development Rights or the Owner Parcel, as utilized on the date hereof, and to the extent permitted under and limited by the Declaration and this Agreement), and, in furtherance thereof, Owner covenants and agrees that:

(a) Owner shall cooperate, at Developer's sole cost and expense, with Developer in connection with Developer's development of the Developer Parcel and the transfer of the Air Rights Parcels Excess Development Rights and any Additional Development Rights to Developer and the incorporation of the same into Developer Building and any Rebuilding of the Developer Building, including, without limitation, the prosecution of all applications, approvals, permits, variances, special permits or modifications thereof or other discretionary land use approvals of any Agency requested by Developer relating to the development of the Developer Parcel and/or the incorporation in the Developer Building (and/or any Rebuilding thereof) of the Developer Development Rights, any application by Developer to increase or decrease the size of the Merged Zoning Lot, and/or any application by Developer to transfer any Development Rights to any other parcel of land, subject to the provisions of this Agreement. Developer shall have the right at any time to make application in its own name, unless otherwise required, to any governmental authority for such licenses, permits, approvals, certificates of occupancy or other certificates, rulings, variances, special permits or amendments, as shall be deemed necessary or appropriate by Developer (i) as a condition to, or to implement the transfer of the Air Rights Parcels Excess Development Rights and any Additional Development Rights, or the utilization by Developer of the Developer Development Rights, including a building permit or permits for the construction of the Developer Building allowing utilization of the Developer Development Rights, and/or (ii) in connection with any Rebuilding, reconfiguration or other changes to the Developer Building (in accordance with the provisions of this Agreement), including, without limitation, any change of use or operation, and/or (iii) the submission of the Developer

Parcel to condominium ownership, and/or (iv) in connection with the development of the Developer Parcel, and/or (v) the transfer of any Development Rights to any other parcel of land (all of the foregoing, collectively, the "Developer Approvals"). Owner agrees, at Developer's sole cost and expense, to cooperate with Developer in connection with the filing and prosecution of applications for the Developer Approvals by giving all necessary consents in connection with the filing and prosecution of applications for the Developer Approvals, if requested, and promptly (and in any event within ten (10) days of receipt) to execute such appropriate documents and applications (including, without limitation, a Plan Work Approval Application (Form PW1) and Form PW1A – Schedule A, all as promulgated by the DOB from time to time) and to furnish such information within the possession or control of, or which can reasonably be obtained by, Owner (and cannot be obtained by Developer) as may be reasonably requested by Developer for pursuing and obtaining any such Developer Approvals, and Developer shall reimburse Owner for any reasonable out-of-pocket expenses incurred by Owner in connection therewith;

(b) Owner agrees, if required by the DOB, to cause the Certificate of Occupancy for the Owner Building or other records of the Department of Buildings to be amended so as to indicate the existence of the Merged Zoning Lot. The application therefor shall be prepared by Developer at Developer's sole cost and expense and shall be forwarded to Owner for Owner's execution (if execution by Owner is required by any Agency). Developer shall pay any permit or application fee imposed on such application. Owner shall, at Developer's sole cost and expense, execute and deliver to Developer upon Developer's request, an application, in proper form for filing, for an alteration permit (including a Plan Work Approval Application required by the DOB (Form PW 1 and Form PW 1A - Schedule A) prerequisite to the filing of an application for an amended Certificate of Occupancy for the building located on the Owner Parcel and an application for an amended Certificate of Occupancy for the building located on the Owner Parcel showing that the Owner Parcel is a part of a zoning lot, including the Developer Parcel, in proper form for filing, and all related documents necessary or reasonably requested by Developer to obtain said amended Certificate of Occupancy and Developer, at its sole cost and expense, shall diligently prosecute and close out said application thereafter. Owner hereby authorizes Developer as its agent to use such efforts as reasonably necessary to obtain such amended Certificate of Occupancy;

(c) Provided that Developer is not in material default of this Agreement, Owner agrees not to appear in opposition to Developer in any action or hearing brought, sought or defended by Developer before any Agencies arising out of or in connection with any zoning or variance applications relating to the Developer Building or the Merged Zoning Lot and/or the incorporation of the Developer Development Rights therein or any other application for or proceeding with respect to a Developer Approval that, in the reasonable judgment of Developer, affects or may affect the ability of Developer to construct the Developer Building or effect any Rebuilding thereof and/or to incorporate the Developer Development Rights into the Developer Building or other

improvements on the Merged Zoning Lot, provided Owner may oppose any action which is inconsistent with the Declaration, this Agreement or the Zoning Documents; and

(d) Owner shall furnish to Developer, upon request, copies of all plans, applications and submissions hereafter submitted by Owner to the DOB or any other city, state or federal agency or authority relating to any proposed Rebuilding or demolition of the Owner Building.

(C) Developer agrees with Owner that, subject to the terms of this Agreement, Owner may Rebuild or maintain, subject to Section 2 hereof, in the Owner Building all of the Utilized Development Rights. Developer covenants and agrees to take all appropriate steps reasonably requested by Owner to implement the foregoing (provided the same are without liability to Developer, and Owner shall promptly reimburse to Developer any reasonable out-of-pocket expenses incurred by Developer in connection therewith; and provided, further, that the same do not materially, adversely affect Developer's right to utilize the Developer Development Rights or the Developer Parcel to the extent permitted under and limited by the Declaration and this Agreement), and further provided that the same do not adversely affect, hinder, delay or interfere with Developer's ability to obtain or maintain a building permit or temporary or permanent certificate of occupancy, and, in furtherance thereof, Developer covenants and agrees that:

(a) Developer shall cooperate, at Owner's sole cost and expense, with Owner in connection with the use and maintenance of the Utilized Development Rights into the Owner Building, subject to the provisions of this Agreement. Owner shall have the right at any time to make application in its own name, unless otherwise required, to any Agencies for such licenses, permits, approvals, certificates of occupancy or other certificates, rulings, variances, special permits or amendments, as shall be necessary or required by Owner in connection with any Rebuilding, reconfiguration or other changes to the Owner Building, including, without limitation, any change of use or operation (in accordance with the provisions of this Agreement) of the Owner Building (all of the foregoing, collectively, the "Owner Approvals"). Developer agrees, at Owner's sole cost and expense, to cooperate with Owner in connection with the filing and prosecution of applications for the Owner Approvals by giving all necessary consents in connection with the filing and prosecution of applications for the Owner Approvals, if requested, and promptly (and in any event within ten (10) days of receipt) to execute such appropriate documents and applications (including, without limitation, a Plan Work Approval Application (Form PW1) and Form PW1A - Schedule A, all as promulgated by the DOB from time to time) and to furnish such information within the possession or control of, or which can reasonably be obtained by, Developer as may be reasonably requested by Owner for pursuing and obtaining any such Owner Approvals, and Owner shall reimburse to Developer any reasonable out-of-pocket expenses incurred by Developer in connection therewith;

(b) Developer agrees, if required by the Department of Buildings, to cause the Certificate of Occupancy for the Developer Building or other records of the Department of Buildings to indicate the existence of the Merged Zoning Lot;

(c) Developer agrees not to appear in opposition to Owner in any action or hearing brought, sought or defended by Owner before any Agencies arising out of or in connection with any zoning or variance applications relating to the Owner Building and the maintenance of the Utilized Development Rights therein (subject to Section 2 of this Agreement) or any other application for or proceeding with respect to an Owner Approval that, in the reasonable judgment of Owner, affects or may affect the ability of Owner to effect any Rebuilding of the Owner Building, provided Developer may oppose any action which is inconsistent with the Declaration, this Agreement or the Zoning Documents; and

(d) Developer shall furnish to Owner, upon request, copies of all plans, applications and submissions hereafter submitted by Owner to the DOB or any other city, state or federal agency or authority relating to any proposed Rebuilding or demolition of the Developer Building.

4. Floor Area Notice. Notice is hereby given that this Agreement restricts the Owner Parcel, and benefits the Developer Parcel, by allowing the Developer Parcel the exclusive right to and benefit of the Developer Development Rights (including all Additional Development Rights available to the Merged Zoning Lot), but the foregoing shall in no way be deemed to supersede or forego the Development Rights that may be allocated to Owner pursuant to Section 2(k) hereof.

5. Separate Building Plans. The parties hereto agree that all construction plans and specifications for, and applications for a Certificate of Occupancy or any building, alteration, demolition or other permits for any building on the Owner Parcel shall be separate and independent from those for any building on the Developer Parcel and vice versa and shall be filed with DOB so as to obtain separate "new building" and "alteration" numbers, as appropriate, so long as permitted by applicable law.

6. Separate Tax Lots.

(a) The parties acknowledge that the separate interests of each of them require that the Residential Unit, the Commercial Unit and the Developer Parcel and any other parcels now or hereafter merged into the Merged Zoning Lot be treated for real property tax purposes as separate and independent tax lots. Owner and Developer shall take such actions, with respect to the Residential Unit, the Commercial Unit and the Developer Parcel, respectively, as may be reasonably required to maintain the Parcels which comprise the Merged Zoning Lot as separate and independent tax lots. Neither Owner nor Developer shall object to, or otherwise oppose, the Parcels being treated as separate tax lots, and neither party shall be precluded from contesting tax assessments on its own Parcel. Developer and Owner each agrees to cooperate with the other in connection with any application, filings or proceedings relating to the assessed valuation of the

Residential Unit, the Commercial Unit and/or the Developer Parcel which may be filed or instituted by the owner of such Parcel in furtherance of the foregoing provisions of this Section 6.

(b) Developer shall have the right to subdivide the tax lot of Developer Parcel, provided that such tax lot subdivision shall be subject to this Agreement and shall not adversely diminish Owner's right to utilize the Utilized Development Rights or the Owner Parcel, as utilized on the date hereof, subject to the terms of this Agreement. Owner shall cooperate with Developer in connection with any such subdivision, and, if requested, shall execute such documents, consents or applications as may be reasonably requested by Developer in connection therewith, provided Developer shall pay any reasonable out-of-pocket fees and expenses incurred by Owner (including, but not limited to, attorneys' and other professionals' fees and expenses) in connection therewith.

(c) Owner shall have the right to subdivide the tax lot of Owner Parcel, provided that such tax lot subdivision shall be subject to this Agreement and shall not adversely diminish Developer's right to utilize the Developer Development Rights or the Developer Parcel, as utilized on the date hereof, subject to the terms of this Agreement. Developer shall cooperate with Owner in connection with any such subdivision, and, if requested, shall execute such documents, consents or applications as may be reasonably requested by Owner in connection therewith, provided Owner shall pay any reasonable out-of-pocket fees and expenses incurred by Developer (including, but not limited to, attorneys' and other professionals' fees and expenses) in connection therewith.

7. Violation Cure Rights.

(a) In the event that at any time hereafter there exists any Violation with respect to the Owner Parcel, Owner shall commence to cure such Violation within twenty (15) business days after receiving notice of the same from Developer, or, if the cure, removal and discharge cannot with due diligence be completed in such twenty (15) business day period, Owner shall commence the cure, removal and discharge within such twenty (15) business day period and diligently prosecute to completion, the cure, removal and discharge of any Violation. In the event that Owner does not commence such cure and proceed diligently and continuously with such cure as required by the immediately preceding sentence, Developer shall, upon written notice to Owner of its intent to do so, have the right to cure such Violation at the expense and for the account of Owner (and if necessary, in the name of Owner), and Owner will execute and deliver such documents as may be required in connection therewith. In no event may Developer enter upon the Owner Parcel to cure such Violation. In addition, Developer may, at its option, maintain any action permitted at law or in equity or by statute against Owner with respect to such Violation, including an action for injunctive relief to compel Owner to cure such Violation and/or a suit for damages arising from the failure by Owner to cure such Violation.

(b) If Developer is compelled or elects to expend any sum of money or do any acts which require the payment of money by reason of complying with, remedying or

curing a Violation on the Owner Parcel, as provided in this Section 7, Owner shall, upon demand, promptly reimburse Developer all such sums. Developer shall have a lien on Owner's property in the amount of all such sums and interest not reimbursed by Owner in accordance with this Section 7(b).

(c) In the event that at any time hereafter there exists any Violation with respect to the Developer Parcel, Developer shall cure such Violation within twenty (15) business days after receiving notice of the same from Owner, or, if the cure, removal and discharge cannot with due diligence be completed in such twenty (15) business day period, Developer shall commence the cure, removal and discharge within such twenty (15) business day period and diligently prosecute to completion, the cure, removal and discharge of any Violation. In the event that Developer does not commence such cure and proceed diligently and continuously with such cure as required by the immediately preceding sentence, Owner shall, upon written notice to Developer of its intent to do so, have the right to cure such Violation at the expense and for the account of Developer (and if necessary, in the name of Developer), and Developer will execute and deliver such documents as may be required in connection therewith. In no event may Owner enter upon the Developer Parcel to cure such Violation. In addition, Owner may, at its option, maintain any action permitted at law or in equity or by statute against Developer with respect to such Violation, including an action for injunctive relief to compel Developer to cure such Violation and/or a suit for damages arising from the failure by Developer to cure such Violation.

(d) If Owner is compelled or elects to expend any sum of money or do any acts which require the payment of money by reason of complying with, remedying or curing a Violation on the Developer Parcel, as provided in this Section 7, Developer shall, upon demand, promptly reimburse Owner all such sums. Owner shall have a lien on Developer's property in the amount of all such sums and interest not reimbursed by Developer in accordance with this Section 7(d).

8. Zoning Lot Subdivision. (a) Developer shall have the right to subdivide the Developer Parcel or the Merged Zoning Lot to the extent permitted by the Zoning Resolution and other applicable law, provided that such subdivision shall be subject to this Agreement and shall not adversely diminish Owner's right to utilize the Utilized Development Rights or the Owner Parcel, as utilized on the date hereof, and as limited by the Declaration and this Agreement. Owner shall not have the right to subdivide the Merged Zoning Lot. Developer shall not apply for any such subdivision without first obtaining Owner's consent thereto (which Owner shall not unreasonably withhold, condition or delay). In such event, Developer shall furnish Owner with: (i) a copy of the application, and (ii) the opinion of an architect licensed in New York State, familiar with New York City zoning requirements, addressed to Owner, stating the zoning consequences of the subdivision and concluding that the subdivision will not (x) create a zoning non-compliance, or (y) diminish Owner's right to utilize the Utilized Development Rights or the Owner Parcel, as utilized on the date hereof, and as limited by the Declaration and this Agreement.

(b) Subject to subsection (a) above, Owner shall cooperate with Developer in connection with any such subdivision, and, if requested, shall execute such documents, consents or applications as may be reasonably requested by Developer in connection therewith, provided Developer shall pay any reasonable out-of-pocket fees and expenses incurred by Owner (including, but not limited to, attorneys' and other professionals' fees and expenses) in connection therewith. All present and future "parties in interest" to the Merged Zoning Lot, including Owner, are hereby deemed to have (i) consented to, and waived objection to subdividing the Merged Zoning Lot into two or more separate zoning lots, (ii) consented to or waived their respective right to declare that the Merged Zoning Lot is to be treated as two or more separate zoning lots for the purpose and in accordance with the provisions of the Zoning Resolution, and (iii) consented to or waived their right to execute, now or in the future, and subordinated their right to, any declaration of zoning lot subdivision or any other form or instrument effectuating such subdivision.

9. Additional Parcels; Additional Development Rights.

(a) All present and future "parties in interest" to the Merged Zoning Lot, including Owner, are hereby deemed to have (i) consented to, and waived objection to enlarging the Merged Zoning Lot covered by the Declaration to include one or more additional parcels (each an "Additional Parcel", and collectively, "Additional Parcels") to be brought into the Merged Zoning Lot, (ii) consented to or waived their respective right to declare that the Merged Zoning Lot and any Additional Parcels are to be treated as one zoning lot for the purpose and in accordance with the provisions of the Zoning Resolution, (iii) consented to or waived their right to execute, now or in the future, and subordinated their right to, the Declaration and any and all declarations of zoning lot restrictions and any and all modifications, amendments, additions, replacements, restatements or consolidations (each individually, an "Amendment", and collectively, "Amendments") thereof that relate to the Merged Zoning Lot and any Additional Parcels, (iv) consented to and subordinated their rights to this Agreement, and any and all Amendments thereof that relate to the Merged Zoning Lot and any Additional Parcels, (v) consented to and waived objection to the transfer of the Air Rights Parcels Excess Development Rights and any Additional Development Rights to the Developer Parcel and/or the Merged Zoning Lot, and (vi) consented, to, waived objection to, waived their right to execute, if any, and subordinated their respective interest to, any Transfer of Development Rights and Notice of Restrictions or similar documents required by the Zoning Resolution, including, without limitation, Sections 34-223, 35-35, 23-90 et seq. and 74-79 et seq. in connection with the transfer of any Additional Development Rights; such consent, subordination and waiver shall be effective whether or not such parties sign such consent, subordination and waiver or the documents to which such consent, subordination and waiver apply. Notwithstanding the foregoing, if requested by Developer, Owner shall, within twenty (20) business days after such request, execute, acknowledge and deliver one or more Amendments to the Declaration and/or this Agreement, or execute a waiver of Declaration and subordination to this Agreement or Transfer of Development Rights and Notice of Restrictions or similar document, and shall execute, acknowledge and deliver, or cause the execution, acknowledgement and delivery of, such other instruments as may reasonably be required, for the purposes of such enlargement of the Merged

Zoning Lot or the transfer of the Air Rights Parcels Excess Development Rights and any Additional Development Rights.

10. Third Party Beneficiaries. No covenant or agreement contained herein shall inure to the benefit of any party, including, without limitation, any occupant of either the Developer Parcel or the Owner Parcel, other than to Owner and Developer, their respective heirs, distributees, successors and assigns, and any mortgagee of either the Developer Parcel or the Owner Parcel which may become a "mortgagee-in-possession," a purchaser who acquires title to the Developer Parcel or the Owner Parcel through a foreclosure proceeding or a "deed in lieu of foreclosure" or their respective heirs, distributees, successors and assigns, except as otherwise specifically provided herein. The parties hereto further acknowledge and agree that nothing herein contained grants to any party the right or easement of access upon or over the land of any other party, or the right to perform any construction upon the land of any other party, except as specifically provided herein or in any separate agreement that may be entered into by or among any of the parties hereto.

11. Binding Effect. All of the grants, interests, covenants, agreements and conditions contained in this Agreement:

(a) shall run with the lands and buildings affected and the parties' respective interests therein;

(b) shall inure to the benefit of and be binding upon every party having any right, title or interest therein or any part thereof and the heirs, distributees, successors and assigns of any such party, and any mortgagee of such party which may become a "mortgagee-in-possession", a purchaser who acquires title to the Developer Parcel or the Owner Parcel through a foreclosure proceeding or a "deed in lieu of foreclosure" or their respective heirs, distributees, successors and assigns;

(c) shall, to the extent rights hereunder are assigned to the holder of any mortgage encumbering any of the properties affected by this Agreement or any interest therein, be enforceable by any such assignee as provided under any such mortgage or documents ancillary thereto; and

(d) shall bind any third party who shall acquire any interest whatsoever in the Owner Parcel or the Developer Parcel, whether from a party hereto or its heirs, legal representatives, successors or assigns, and such third party's interest shall be subordinate to the provisions of this Agreement as if such third party had been a signatory to this Agreement.

12. Effect of Breach. No breach by any party to this Agreement of this Agreement or any of the Zoning Documents shall have any effect on the treatment of the Merged Zoning Lot as one zoning lot for purposes of the Zoning Resolution, and the Merged Zoning Lot shall be treated as one zoning lot.

13. Breach Shall Not Defeat Mortgage. A breach of any of the terms, conditions, covenants, or restrictions of this Agreement or any of the Zoning Documents shall not defeat or render invalid the lien of any mortgage made for value which encumbers either the Developer Parcel or the Owner Parcel, but such terms, conditions, covenants or restrictions shall be binding upon and effective against any person who becomes an owner of either the Developer Parcel or the Owner Parcel by acquiring title thereto or any portion thereof by foreclosure, trustee's sale or otherwise.

14. Further Assurances. Owner and Developer each agree to execute, acknowledge and deliver such further instruments, and take such other or further actions as may be reasonably required in order to carry out and effectuate the intent and purpose of the Declaration, this Agreement or any of the Zoning Documents, or to confirm or perfect any right to be created or transferred hereunder, all at the sole cost and expense of the party requesting such further assurances.

15. Remedies. In the event of any breach or threatened breach of this Agreement by any party hereto, the other party shall have the right to any remedy available at law or in equity, including but not limited to injunctive relief and specific performance.

16. Limitation of Liability. Notwithstanding anything to the contrary contained herein, each party hereto shall look only to the other party's then estate in the Owner Parcel or the Developer Parcel, as the case may be, including insurance proceeds if applicable, for the satisfaction of their respective remedies, and no other property or assets of the other party or its principals, officers, directors, trustees, members and partners disclosed or undisclosed, shall be subject to levy, execution or other enforcement procedure for the satisfaction of the first party's remedies hereunder.

17. Notices. Except as may be otherwise expressly provided in this Agreement, any bills, statements, notices, demands, requests, approvals, consents or other communications given or required to be given under or in connection with this Agreement ("Notices") shall be effective only if (a) in writing, (b) (i) sent by United States registered or certified mail, return receipt requested, postage prepaid; or (ii) delivered by hand; or (iii) sent by nationally recognized overnight courier services, and (c) addressed as follows:

To Owner:
Gramercy 29 Apartments, Inc.
c/o The Argo Corp.
50 West 17th Street, 6th Floor
New York, New York 10011
Attention: Jonathan Oblak
Telephone: (212) 849-7000

With a copy to:
Schechter & Brucker, P.C.
350 Fifth Avenue, Suite 4510
New York, New York 10118
Attention: Howard Schechter, Esq.

Telephone: (212) 244-6600

with a copy to: The Pen & Brush, Inc.
29 East 22nd Street
New York, New York
Telephone: (212) 794-2928

With a copy to: Schechter & Brucker, P.C.
350 Fifth Avenue, Suite 4510
New York, New York 10118
Attention: Howard Schechter, Esq.
Telephone: (212) 244-6600

To Developer: East 22nd St. Acquisition Holdings LLC
c/o The Continuum Company
30 West 21st Street
New York, New York 10036
Attention: Ian Bruce Eichner
Telephone: (212) 554-3700

with a copy to: Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attention: Neil R. Tucker
Telephone: (212) 715-9259

Each Notice shall be deemed to have been rendered or given (i) on the date delivered, if delivered by hand, (ii) on the next business day, if sent by nationally recognized overnight courier, or (iii) on the date which is three (3) business days after mailing, if mailed as provided in this Section 17. Either party may at any time change the address for Notices to such party by giving a Notice as aforesaid. A Notice may be given by either party or such party's attorney.

18. Mortgagee Notice. All notices, demands, consents, approvals, requests or other communications which may be given by any party (the "Notifying Party") pursuant to, under or by virtue of this Agreement shall, in the event either the Owner Parcel or the Developer Parcel is encumbered by a mortgage (a "Mortgage"), also be sent to the mortgagee thereunder (the "Mortgagee"), provided the Notifying Party has been previously given notice that either the Owner Parcel or the Developer Parcel, as the case may be, is encumbered by a Mortgage and the address for notices to such Mortgagee. All notices under this Section 18 shall be given in the same manner as provided in Section 17 hereof. In the event that any Notice shall be given by a Notifying Party of a Violation a Mortgagee of the Owner Parcel or the Developer Parcel, as the case may be, shall have the same rights to remedy or cure such Violation as the Notifying Party.

Such remedy or cure performed by a Mortgagee shall be performed in accordance with, and pursuant to, the provisions of Section 7 hereof.

19. No Oral Agreements; Integration. Except as stated in this Agreement and the exhibits and schedules annexed hereto, this Agreement contains all the promises, agreements, conditions, inducements and understandings between the parties relative to the matters stated herein and therein, and there are no promises, agreements, conditions, understandings, inducements, warranties or representations, expressed or implied, between the parties other than as set forth herein and therein. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings of the parties in connection herewith, other than with respect to any agreement between the parties hereto either (i) executed and delivered simultaneously with this Agreement, and/or (ii) which, implicitly or explicitly, by its terms survives the execution of this Agreement and/or the closing thereof. This Agreement may not be modified, amended or terminated except by an instrument in writing signed by the parties hereto, except that any party in interest to any other parcels merged with the Merged Zoning Lot in accordance with the Declaration or an Amendment, thereto, shall be deemed to be bound by the provisions of this Agreement upon the execution of a document to that effect between Developer and such party only; provided, however, in the event the Owner Parcel or the Developer Parcel or any other parcel merged with the Merged Zoning Lot is encumbered by a mortgage, and the mortgagee thereunder reasonably requests a modification or amendment to this Agreement which does not materially increase the obligations or decrease the rights of the parties hereunder, the parties agree to amend or modify this Agreement accordingly.

20. Estoppel Certificates. Whenever requested by a party, the other party shall within ten (10) business days thereafter furnish to the requesting party a written certificate setting forth: (i) whether this Agreement is in full force and effect; (ii) the extent to which this Agreement has been assigned, modified or amended by any instrument, whether or not of record (and if it has, then stating the nature thereof); (iii) whether the other party has served any written notice of default under this Agreement, which default remains uncured; (iv) that the certificate may be relied upon by the requesting party; and (v) that, to the best of its knowledge, there exists no state of facts which, with the giving of notice, the passage of time, or both, would constitute a default by the requesting party under this Agreement. Such certificate shall act as a waiver of any claim by the party furnishing such certificate to the extent such claim is based upon facts which are contrary to those asserted in the certificate but only to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts contrary to those contained in the certificate and who has acted in reasonable reliance upon the certificate. Such certificate shall in no event subject the party furnishing it to any liability whatsoever (except for fraud), notwithstanding the negligent or inadvertent failure of such party to disclose correct or relevant information.

21. Recording. This Agreement shall be recorded in the Office of the City Register for New York County.

22. Lien Law Covenant. Any consideration received by any of the parties hereto will be received subject to the provisions of Section 13 of the Lien Law.

23. Governing Law; Jurisdiction.

(a) This Agreement shall be governed by, and construed in all respects in accordance with, the internal laws of the State of New York (without giving effect to New York's principles of conflicts of law).

(b) Each party hereby irrevocably submits to the exclusive jurisdiction of any New York State or Federal court sitting in the Borough of Manhattan, City of New York over any suit, action or proceeding commenced by or on behalf of any party hereto arising out of, or relating to, this Agreement. To the extent permitted by applicable law, Owner and Developer hereby waive trial by jury in any action or proceeding, and with respect to any claim asserted in any such action or proceeding, brought by either of the parties against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of Owner and Developer, any claim of injury or damage, or any emergency or other statutory remedy with respect thereto.

24. Non-Waiver of Performance. Any failure by a party hereto (collectively and/or individually referred to herein as the "non-waiving party") to insist upon the strict performance by the other party hereto of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the nonwaiving party, notwithstanding 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 the other party.

25. Pronouns, etc. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require. 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 a contrary intent is expressly set forth.

26. Counterparts. 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 taken together shall be construed as and shall constitute but one and the same instrument.

27. Severability. If any term of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law, with the parties hereto covenanting nonetheless to negotiate in good faith, in order to agree upon the terms of a mutually satisfactory provision to be substituted for the term or provision which is void or unenforceable.

28. Captions; Headings. The captions, paragraph headings, titles and sections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

29. Exhibits and Schedules. Each of the exhibits and schedules referred to herein and attached hereto is incorporated herein by this reference.

**[Signature Page Follows]**

**IN WITNESS WHEREOF**, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

**OWNER:**

THE BOARD OF MANAGERS OF GRAMERCY 29 ~~APARTMENTS~~ CONDOMINUM

By: _____
Name: Jonathan B Oblak
Title: Authorized Signatory

**DEVELOPER:**

EAST 22ND ST. ACQUISITION HOLDINGS LLC

By: _____
Name: Ian Bruce Eichner
Title: Authorized Signatory

STATE OF NEW YORK )
)ss.:
COUNTY OF NEW YORK )

On the 5th day of June in the year 2013 before me, the undersigned, personally appeared Jonathan B. Obuchi, 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 or entity upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

KENNETH R. WONG
Notary Public, State of New York
No. 01WO4967932
Qualified in New York County
Commission Expires June 11, 2014

STATE OF NEW YORK )
)ss.:
COUNTY OF NEW YORK )

On the 31 day of May in the year 2013 before me, the undersigned, personally appeared Ian Bruce Eichner, 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 or entity upon behalf of which the individual acted, executed the instrument.

Notary Public

SHARON H. McCULLOCH
Notary Public, State of New York
No. 01MC6224121
Qualified in New York County
Commission Expires: June 26, 2014

SEAL

**EXHIBIT "A"**

Legal Description – Owner Land

**Lot 1801 & 1802 (part of 29 E 22nd Street)**

The Condominium Units (hereinafter referred to as the "Units") in the building (hereinafter referred to as the "Building") known as Gramercy 29 Condominium and by the Street Number 29 East 22nd Street, County of New York, State of New York, said Units being designated and described in a Declaration dated January 31, 2008, made by Gramercy 29 Apts., Inc., pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") establishing a plan for condominium ownership of the Building and Land (hereinafter referred to as the "Land") upon which the Building is situated (which Land is more particularly described as below), which Declaration was recorded in the City Register's Office on April 10, 2008 as CRFN 2008000144962, (which Declaration and Amendments (if applicable) thereto are hereinafter collectively referred to as the "Declaration"). The Units are also designated as Tax Lots 1801 and 1802 in Block 851, Section 3 of the County of New York on the Tax Map of the Real Property Assessment Department and on the Floor Plans of the Buildings, certified to Margaret F. Salamone, Registered Architect and filed with the Real Property Assessment Department as Condominium Plan No. 1850 and also filed in the City Register's Office on April 10, 2008 as Map No. CRFN 2008000144963.

Together with 100% of the Common Elements (as such term is defined in the Declaration).

The Land area on which the building containing the unit is erected is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 22nd Street distant 273 feet per Tax Map and Deed in Reel 472, Page 119 (Certificate of Occupancy 80060 dated February 29, 1980 shows 272 feet 8 inches) westerly from the corner formed by the intersection of the northerly side of 22nd Street with the westerly side of 4th Avenue;

RUNNING THENCE northerly parallel with the westerly side of 4th Avenue and part of the distance through a party wall, 98 feet 9 inches to the center line of the block;

THENCE westerly along said center line and parallel with the northerly side of 22nd Street, 52 feet;

THENCE southerly again parallel with the westerly side of 4th Avenue and part of the distance through another party wall, 98 feet 9 inches to the northerly side of 22nd Street;

THENCE easterly along the northerly side of 22nd Street, 52 feet to the point or place of BEGINNING.

**EXHIBIT "B"**

Legal Description – Developer Land

Block 851, Lot 32:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 22nd Street, which is distant 125 feet westerly from the corner formed by the intersection of the westerly side of Park Avenue South formerly Fourth Avenue, with the said northerly side of 22nd Street;

RUNNING THENCE northerly parallel with Park Avenue South and part of the distance through a party wall, a distance of 98 feet 9 inches to the center line of the block;

RUNNING THENCE westerly along the center line of the block and parallel with 22nd Street, a distance of 50 feet to a point opposite the center line of a party wall;

RUNNING THENCE southerly and part of the distance through the center line of a party wall and parallel with Park Avenue South, a distance of 98 feet 9 inches to the northerly side of 22nd Street, and

THENCE easterly along the northerly side of 22nd Street, a distance of 50 feet to the point or place of BEGINNING.

Said premises being known as 41-43 East 22nd Street, New York, New York

**EXHIBIT "C"**
Parties In Interest Certification

N.B. #_____
or
ALT. #_____

EXHIBIT II

CERTIFICATION PURSUANT TO ZONING LOT
SUBDIVISION D OF SECTION 12-10
OF THE ZONING RESOLUTION OF DECEMBER 15, 1961
OF THE CITY OF NEW YORK – AS AMENDED
EFFECTIVE AUGUST 18, 1977

Kensington Vanguard National Land Services of N.Y., as agent for Stewart Title Insurance Company, a title insurance company authorized to do business in the State of New York and having its principal office at 39 West 37th Street, New York, New York, 10018, hereby certifies that as to the land hereafter described being a tract of land, either unsubdivided or consisting of two or more lots of record, contiguous for a minimum of ten linear feet, located within a single block, that all the parties in interest constituting a party as defined in Section 12-10, subdivision (d) of the Zoning Resolution of the City of New York, effective December 15, 1961, are the following:

| Name & Address | Interest | Declaration or Waiver |
|---|---|---|
| **East 22ND St. Acquisition Holdings LLC**<br>30 West 21st Street, 11th Floor<br>New York, NY 10010 | Fee Owner, Lot 32 | Declaration |
| **Gemini Funding LLC**<br>c/o Davidson Kempner Capital Management LLC<br>65 East55th Stret, 19th Floor<br>New York, NY 10022 | Mortgage Holder, Lot 32 | Waiver |
| **45 E 22 LLC**<br>c/o Walter & Samuels, Inc.<br>419 Park Avenue South<br>New York, NY 10016 | Fee Owner, Lot 34 | Waived, by terms of Declaration of Zoning Lot Restrictions and ZLDA, simultaneously herewith |
| **Coach House Restaurant, Inc.**<br>234 West 56th Street<br>New York, NY 10019 | Net Lessee, Lot 34 | Waiver |

| | | |
|---|---|---|
| **Country Bank**<br>655 Third Avenue,9th Fl.<br>New York, NY 10017 | Mortgage Holder on Net Lease, Lot 34 | Waiver |
| **33 East 22ND Street Tenants Corp.**<br>33 East 22nd Street<br>New York, NY 10010 | Fee Owner, Lot 28 | Waived, by terms of Declaration of Zoning Lot Restrictions and ZLDA, simultaneously herewith |
| **The Dime Savings Bank of Williamsburgh**<br>209 Havemeyer Street<br>Brooklyn, NY 11211 | Mortgage Holder, Lot 28 | Waiver |
| **Fannie Mae**<br>3900 Wisconsin Avenue, N.W.<br>Washington, D.C. 20016 | Mortgage Holder, Lot 28 | Waiver |
| **CEECEE Associates LLC**<br>40 East 23rd Street,<br>New York, NY 10010 | Fee Owner, Lot 49 | Declaration |
| **JP Morgan Chase Bank, N.A.**<br>3929 West Carpenter Freeway<br>Irving, TX 75063 | Mortgage Holder, Lot 49 | Waiver |
| **The Board of Managers of Gramercy 29 Condominium**<br>29 East 22nd Street<br>New York, NY 10010 | on behalf of the individual unit owners, pursuant to the Declaration of Condominium, Base Lot 26, Unit Lots 1801 & 1802 | Declaration |

The subject tract of land with respect to which the foregoing parties are the parties in interest as aforesaid is known as Tax Lot Numbers 32, 34, 28, 49 and (Base Lot 26) Unit Tax Lots 1801 & 1802 in Block No. 851, as shown on the Tax Map of the City of New York for the Borough of Manhattan and more particularly described as follows:

**(See Exhibit A annexed hereto)**

That the said premises are known as and by the street address: 29 – 45 East 22nd Street and 40 East 23rd Street, New York, New York, as shown on the following diagram:

**Block 851**

**(See Exhibit B annexed hereto)**

NOTE: A Zoning Lot may or may not coincide with a lot as shown on the Official Tax Map of the City of New York or on any recorded subdivision plot or deed. A Zoning Lot may be subdivided into two or more zoning lots provided all the resulting zoning lots and all the buildings thereon shall comply with the applicable provisions of the zoning lot resolution.

IN WITNESS WHERE OF THIS CERTIFICATION HAS BEEN EXECUTED THIS 7th DAY OF June , 2013

Kensington Vanguard National Land Services of N.Y.

By: _____
Robert Audette, Executive Vice President

State of New York )
) ss.:
County of New York )

On the 7th day of June in the year 2013 before me, the undersigned, personally appeared Robert Audette 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
ROBERT GILMAN
Notary Public - State of New York
No. 02GI6103384
Qualified In New York County
My Commission Expires 3/30/2016

SEAL

# Exhibit A



Lot 32

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 22nd Street, which is distant 125 feet westerly from the corner formed by the intersection of the westerly side of Park Avenue South, formerly Fourth Avenue, with the northerly side of 22nd Street;

RUNNING THENCE northerly parallel with Park Avenue South and part of the distance through a party wall, a distance of 98 feet 9 inches to the center line of the block;

RUNNING THENCE westerly along the center line of the block and parallel with 22nd Street, a distance of 50 feet to a point opposite the center line of a party wall;

RUNNING THENCE southerly and part of the distance through the center line of a party wall and parallel with Park Avenue South, a distance of 98 feet 9 inches to the northerly side of 22nd Street; and

THENCE easterly along the northerly side of 22nd Street, a distance of 50 feet to the point or place of BEGINNING.

Lot 34

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point in the northerly side of East Twenty-Second Street, distant one hundred feet westerly from the northwesterly corner of Park Avenue South, f/k/a Fourth Avenue and East Twenty-Second Street;

RUNNING THENCE northerly parallel with Park Avenue South, ninety-eight feet, nine inches;

THENCE westerly parallel with the northerly side of East Twenty-Second Street, twenty-five feet;

THENCE southerly parallel with Park Avenue South and part of the way through a party wall, ninety-eight feet, nine inches to the northerly side of East Twenty-Second Street;

THENCE easterly along the northerly side of East Twenty-Second Street, twenty-five feet to the point or place of BEGINNING.

Lot 28

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of East 22nd Street, distant 175 feet westerly from the corner formed by the intersection of the northerly side of East 22nd Street, and the westerly side of Park Avenue South (formerly known as 4th Avenue);

RUNNING THENCE northerly parallel to Park Avenue South, part of the way through a party wall, 98 feet 9 inches to the center line of the block;

THENCE westerly along the center line of the block, 98 feet;

THENCE southerly again parallel to Park Avenue South and part of the distance through another party wall, 98 feet 9 inches to the northerly side of East 22nd Street; and

THENCE easterly along the northerly side of East 22nd Street, 98 feet to the point or place of BEGINNING.

Lot 49

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of 23rd Street, distant 200 feet westerly from the corner formed by the intersection of the westerly side of 4th Avenue, with the southerly side of 23rd Street;

RUNNING THENCE southerly parallel with Park Avenue South, formerly known as 4th Avenue, 98 feet 9 inches;

THENCE westerly parallel with 23rd Street, 23 feet;

THENCE northerly parallel with Park Avenue South, formerly known as 4th Avenue, up to and through the middle of party wall, 98 feet 9 inches to the southerly side of 23rd Street;

THENCE easterly along the southerly side of 23rd Street, 23 feet to the point or place of BEGINNING.

Base Lot 26, Unit Lots 1801 & 1802

The Condominium Units (hereinafter referred to as the "Units") in the building (hereinafter referred to as the "Building") known as Gramercy 29 Condominium and by the Street Number 29 East 22nd Street, County of New York, State of New York, said Units being designated and described in a Declaration dated January 31, 2008, made by Gramercy 29 Apts., Inc., pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") establishing a plan for condominium ownership of the Building and Land (hereinafter referred to as the "Land") upon which the Building is situated (which Land is more particularly described as below), which Declaration was recorded in the City Register's Office on April 10, 2008 as CRFN 2008000144962, (which Declaration and Amendments (if applicable) thereto are hereinafter collectively referred to as the "Declaration"). The Units are also designated as Tax Lots 1801 and 1802 in Block 851, Section 3 of the County of New York on the Tax Map of the Real Property Assessment Department and on the Floor Plans of the Buildings, certified to Margaret F. Salamone, Registered Architect and filed with the Real Property Assessment Department as Condominium Plan No. 1850 and also filed in the City Register's Office on April 10, 2008 as Map No. CRFN 2008000144963.

Together with 100% of the Common Elements (as such term is defined in the Declaration).

The Land area on which the building containing the unit is erected is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 22nd Street distant 723 feet per Tax Map and Deed in Reel 472, Page 119 (Certificate of Occupancy 80060 dated February 29, 1980 shows 272 feet 8 inches) westerly from the corner formed by the intersection of the northerly side of 22nd Street with the westerly side of 4th Avenue;

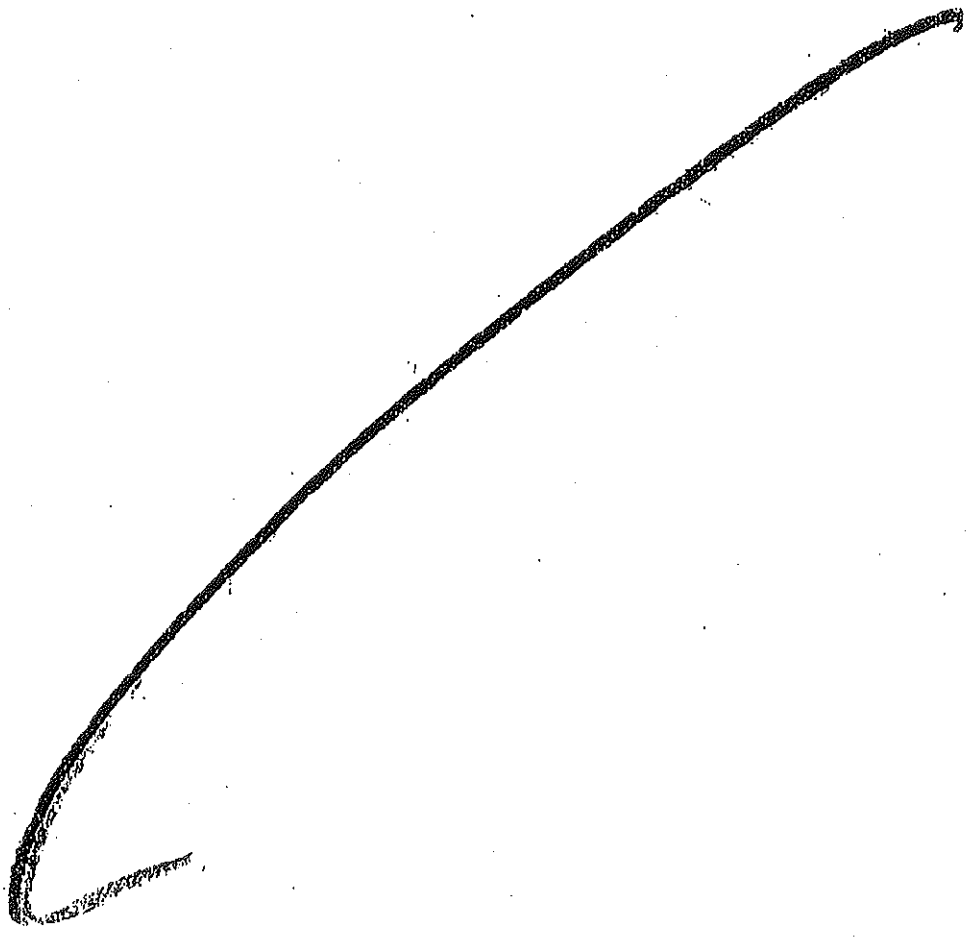
RUNNING THENCE northerly parallel with the westerly side of 4th Avenue and part of the distance through a party wall, 98 feet 9 inches to the center line of the block;

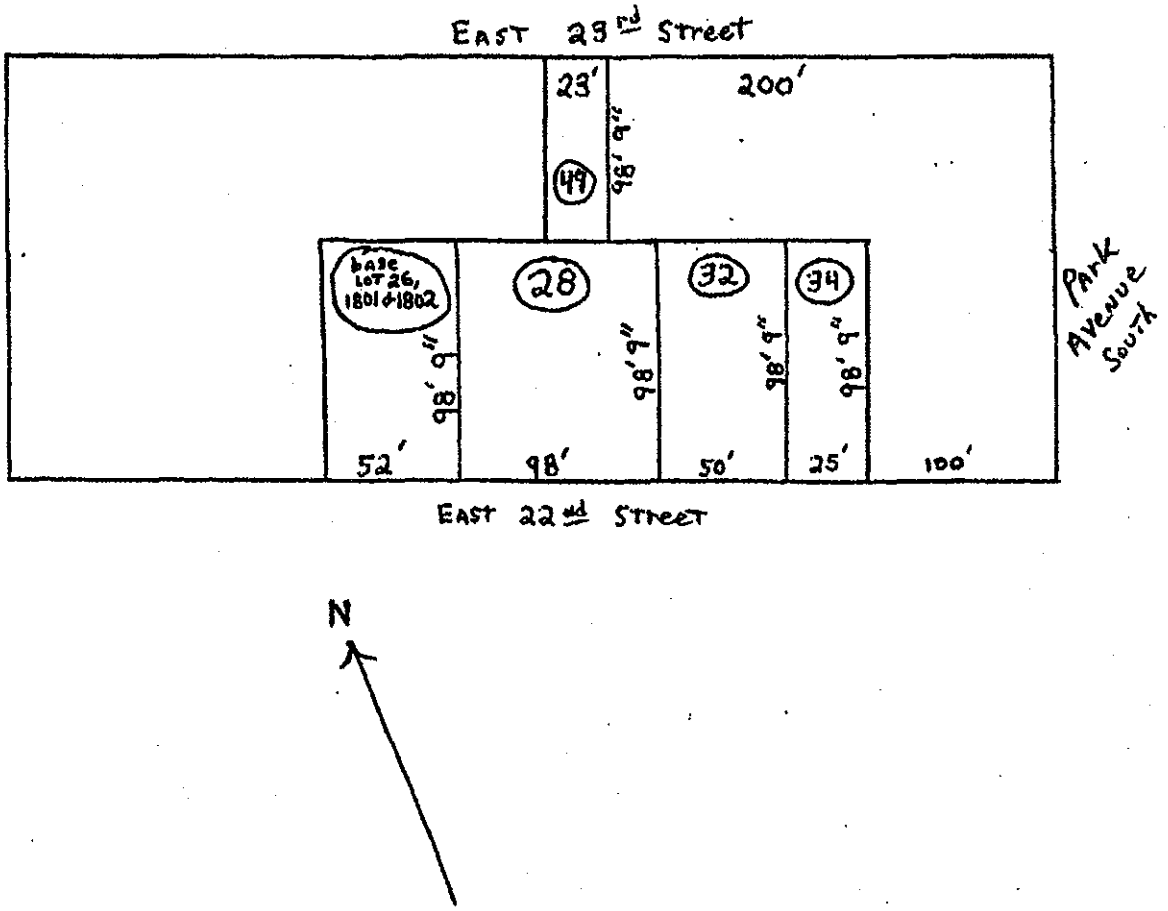
THENCE westerly along said center line and parallel with the northerly side of 22nd Street, 52 feet;

THENCE southerly again parallel with the westerly side of 4th Avenue and part of the distance through another party wall, 98 feet 9 inches to the northerly side of 22nd Street;

THENCE easterly along the northerly side of 22nd Street, 52 feet to the point or place of BEGINNING.

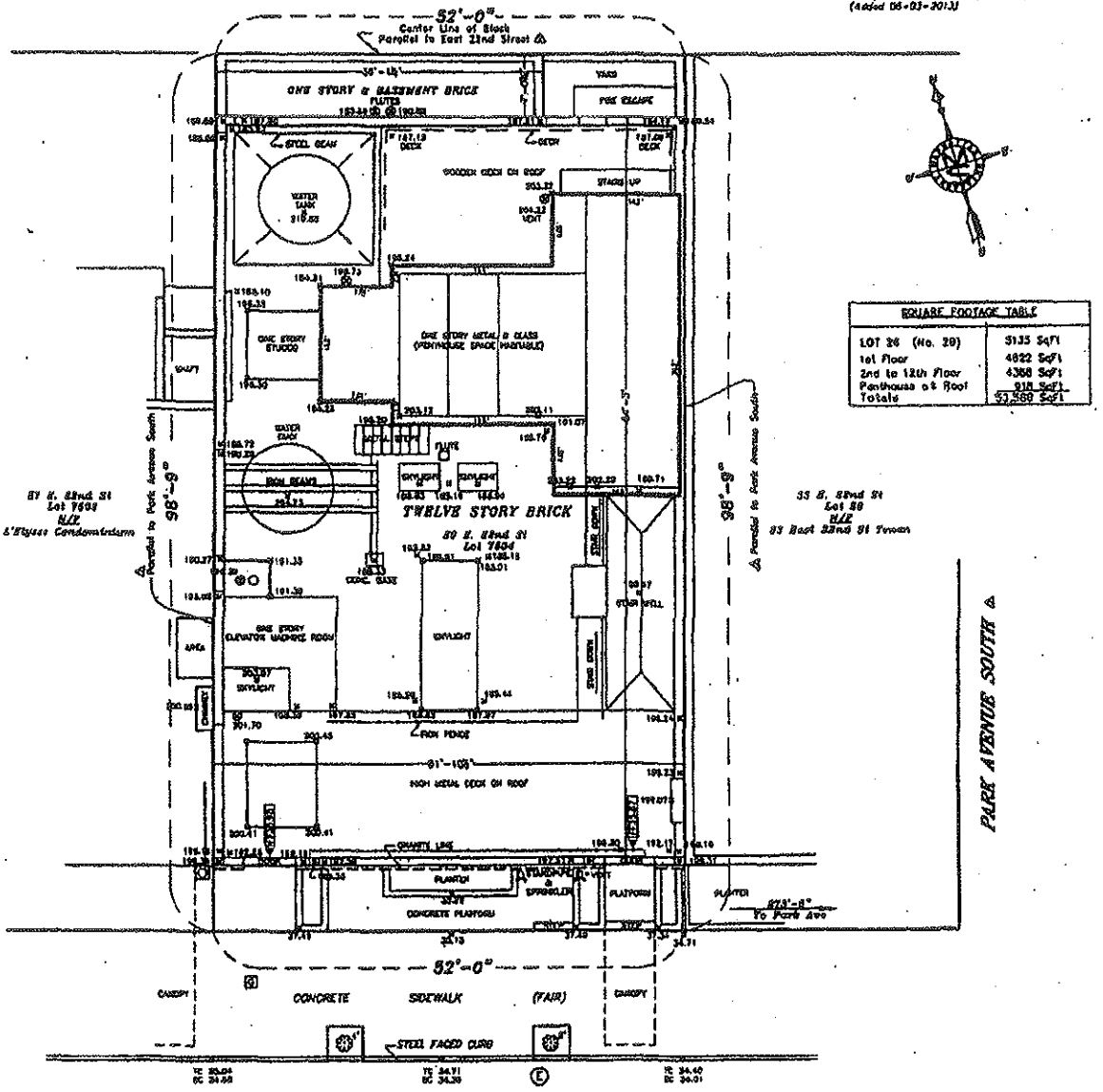
# Exhibit B




EAST 23rd Street
23'
200'
98' 9"
49
base lot 26, 1801 & 1802
28
32
34
98' 9"
98' 9"
98' 9"
98' 9"
Park Avenue South
52'
98'
50'
25'
100'
EAST 22nd STREET
N

BLOCK 851 LOT 26

CERTIFIED TO:
- East 22nd St. Acquisition Holdings LLC
- Commit Funding LLC
- Kensington Vanguard National Land Services
- Stewart Title Insurance Company
- National Land Tenure Company LLC
- First American Title Insurance Company
- Board of Managers of the Gramercy 20 Condominium
(Added 05-03-2013)




| SQUARE FOOTAGE TABLE | |
|---|---|
| LOT 26 (No. 29) | 5135 SqFt |
| 1st Floor | 4822 SqFt |
| 2nd to 12th Floor | 4368 SqFt |
| Penthouse 6th Floor | 818 SqFt |
| Totals | 53,580 SqFt |

LEGEND

- WATER MANHOLE
- DRAIN
- GAS BOX
- SEWER MANHOLE
- LP LIGHT POLE
- WV WATER VALVE
- 100.00 SPOT ELEVATION
- FF 100.00 FIRST FLOOR ELEVATION
- WOOD FENCE
- FIRST FLOOR ELEVATION
- STANDPIPE
- ELECTRIC MANHOLE
- SEWER MANHOLE
- TREE

- TC TOP CURB
- BC BOTTOM CURB
- CC CONCRETE CURB
- FF FIRST FLOOR ELEVATION
- SEWER MAIN LINE
- WATER MAIN LINE
- ELECTRIC MAIN LINE
- GAS MAIN LINE
- TRAFFIC SIGNAL CONDUIT
- IRON FENCE

ELEVATION NOTES

Elevations shown hereon refer to the datum in use by the Department of Highways, Borough of Manhattan which is 2.75 feet above the National Geodetic Vertical Datum of 1929 (Sea Level at Sandy Hook).

Actual elevations shown thus = 12.01

GRAPHIC SCALE
0 8' 16' 24'
1" = 8'

| | | | | |
|---|---|---|---|---|
| A | 9/3/13 | Items requested by Client, added | A.C. | GS |
| 1 | 11/19/13 | Total Areas and Penthouse Info. | GS | GRADOS |
| NO. | DATE | DESCRIPTION | BY | APPR'D |

REVISIONS

| | | | | |
|---|---|---|---|---|
| Scale 1" = 8' | Date Jan 11, 2013 | Project No. 21233 | 29 EAST 22ND STREET | MANHATTAN-SURVEYING |
| Sheet No. 1 of 1 | Drawn A.C. | Apprvd. GRADOS | Air Rights Exhibit | 305 6th Avenue, Suite 606 New York, NY 10018 |

**EXHIBIT "17"**

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**PROPERTY DEED**

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**NYC DEPARTMENT OF FINANCE**
**OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument.The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2013061201469001002EBDC8

**RECORDING AND ENDORSEMENT COVER PAGE** PAGE 1 OF 4

**Document ID: 2013061201469001** Document Date: 06-07-2013 Preparation Date: 06-12-2013
Document Type: DEED
Document Page Count: 3

**PRESENTER:**
KENSINGTON VANGUARD
39 WEST 37TH STREET, TITLE NO.811722
HOLD/ PICKUP SEARCH NY
NEW YORK, NY 10018
212-532-8686
chrisc@KVNATIONAL.COM

**RETURN TO:**
DANIEL BERMAN, ESQ.
KRAMER LEVIN NAFTALIS & FRANKEL LLP
1177 AVENUE OF THE AMERICAS
NEW YORK, NY 10036

**PROPERTY DATA**

| Borough | Block | Lot | Unit | Address |
|---|---|---|---|---|
| MANHATTAN | 851 | 32 | Entire Lot | 41-43 EAST 22ND STREET |

**Property Type:** COMMERCIAL REAL ESTATE

**CROSS REFERENCE DATA**

CRFN_____ *or* DocumentID_____ *or* _____ Year____ Reel____ Page____ *or* File Number_____

**PARTIES**

**GRANTOR/SELLER:**
ONE HAND REALTY, LLC
C/O ELMADANI SADEK, 829 SIXTH AVENUE, , 2ND FLOOR
NEW YORK , NY 10001

**GRANTEE/BUYER:**
EAST 22ND ST. ACQUISITION HOLDINGS LLC
30 WEST 21ST STREET, 11TH FLOOR
NEW YORK , NY 10010

**FEES AND TAXES**

| **Mortgage :** | | |
|---|---|---|
| Mortgage Amount: | $ | 0.00 |
| Taxable Mortgage Amount: | $ | 0.00 |
| Exemption: | | |
| TAXES: County (Basic): | $ | 0.00 |
| City (Additional): | $ | 0.00 |
| Spec (Additional): | $ | 0.00 |
| TASF: | $ | 0.00 |
| MTA: | $ | 0.00 |
| NYCTA: | $ | 0.00 |
| Additional MRT: | $ | 0.00 |
| TOTAL: | $ | 0.00 |
| Recording Fee: | $ | 52.00 |
| Affidavit Fee: | $ | 0.00 |

| | |
|---|---|
| Filing Fee: | |
| $ | 250.00 |
| NYC Real Property Transfer Tax: | |
| $ | 925,312.50 |
| NYS Real Estate Transfer Tax: | |
| $ | 141,000.00 |

**RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK**
Recorded/Filed 07-26-2013 15:40
City Register File No.(CRFN): **2013000295142**

*City Register Official Signature*

811722

NY - 1005 Bargain and Sale Deed, with Covenant against Grantor's Acts-Individual or Corporation (Single Sheet)

THIS INDENTURE, made AS OF the 7th day of June, 2013

BETWEEN

One Hand Realty, LLC , with an address at c/o Elmadani Sadek, 829 Sixth Avenue, 2nd Floor, New York, NY 10001

party of the first part, and

East 22nd St. Acquisition Holdings LLC, with an address at 30 West 21st Street, 11th Floor , New York, NY 10010

party of the second part,

WITNESSETH, that the party of the first part, in consideration of Ten and no/100 ($10.00) Dollars paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan,
City of New York and State of New York bounded and described as follows:

Exhibit "A" attached hereto

BEING the same premises previously conveyed by deed dated January 17, 2006 and recorded March 14, 2006 as CRFN 2006000142800, as confirmed by Confirmatory Deed made by One Hand Realty, LLC dated February 2, 2012 and recorded February 10, 2012 as CRFN 2012000057432.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first 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 total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.
IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

One Hand Realty, LLC

By: Elmadani Sadek, Managing Member

STATE OF NEW YORK,
COUNTY OF NEW YORK ss.:

On the 10 the day of June, 2013 before me personally appeared Elmadani Sadek, 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

XIAO FU
Notary Public, State of New York
No. 01FU6238453
Qualified in Queens County
Commission Expires April 4, 2015

SEAL

BARGAIN AND SALE DEED
WITH COVENANT AGAINST GRANTOR'S ACTS

ONE HAND REALTY, LLC

TO

EAST 22ND ST. ACQUISITION HOLDINGS LLC

Section: 3
Block: 851
Lot: 32
County or Town: New York
Street Address: 41-43 E. 22nd Street

RETURN BY MAIL TO
Daniel Berman, Esq.
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, NY 10036

Reserve this space for Office Use

## Exhibit A

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan;

BEGINNING at a point on the northerly side of 22nd Street, which is distant 125 feet westerly from the corner formed by the intersection of the westerly side of Park Avenue South formerly Fourth Avenue, with the said northerly side of 22nd Street;

RUNNING THENCE northerly parallel with Park Avenue South and part of the distance through a party wall, a distance of 98 feet 9 inches to the center line of the block;

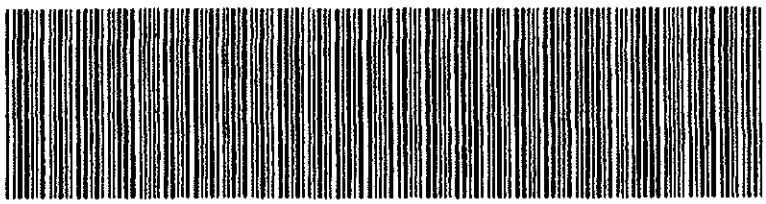
RUNNING THENCE westerly along the center line of the block and parallel with 22nd Street, a distance of 50 feet to a point opposite the center line of a party wall;

RUNNING THENCE southerly and part of the distance through the center line of a party wall and parallel with Park Avenue South, a distance of 98 feet 9 inches to the northerly side of 22nd Street, and

THENCE easterly along the northerly side of 22nd Street, a distance of 50 feet to the point or place of BEGINNING.

COMMONLY KNOWN AS 41-43 E. 22nd Street, New York, NY 10010.

**NYC DEPARTMENT OF FINANCE**
**OFFICE OF THE CITY REGISTER**



2013061201469001002S7349

**SUPPORTING DOCUMENT COVER PAGE** **PAGE 1 OF 1**

**Document ID: 2013061201469001** Document Date: 06-07-2013 Preparation Date: 06-12-2013
Document Type: DEED

**ASSOCIATED TAX FORM ID:** 2013051500366

**SUPPORTING DOCUMENTS SUBMITTED:**

| | Page Count |
|---|---|
| DEP CUSTOMER REGISTRATION FORM FOR WATER AND SEWER BILLING | 2 |
| RP - 5217 REAL PROPERTY TRANSFER REPORT | 3 |

FOR CITY USE ONLY
C1. County Code | C2. Date Deed Recorded | Month / Day / Year
C3. Book OR C4. Page
C5. CRFN

# REAL PROPERTY TRANSFER REPORT

STATE OF NEW YORK
STATE BOARD OF REAL PROPERTY SERVICES

# RP - 5217NYC

## PROPERTY INFORMATION

1. Property Location: 41-43 (STREET NUMBER) | EAST 22ND STREET (STREET NAME) | MANHATTAN (BOROUGH) | 10010 (ZIP CODE)

2. Buyer Name: EAST 22ND ST. ACQUISITION HOLDINGS LLC (LAST NAME / COMPANY) (FIRST NAME)
(LAST NAME / COMPANY) (FIRST NAME)

3. Tax Billing Address: Indicate where future Tax Bills are to be sent if other than buyer address (at bottom of form) (LAST NAME / COMPANY) (FIRST NAME)
(STREET NUMBER AND STREET NAME) (CITY OR TOWN) (STATE) (ZIP CODE)

4. Indicate the number of Assessment Roll parcels transferred on the deed: 1 # of Parcels OR ☐ Part of a Parcel

4A. Planning Board Approval - N/A for NYC
4B. Agricultural District Notice - N/A for NYC

5. Deed Property Size: (FRONT FEET) X (DEPTH) OR (ACRES)

Check the boxes below as they apply:
6. Ownership Type is Condominium ☐
7. New Construction on Vacant Land ☐

8. Seller Name: ONE HAND REALTY, LLC (LAST NAME / COMPANY) (FIRST NAME)
(LAST NAME / COMPANY) (FIRST NAME)

9. Check the box below which most accurately describes the use of the property at the time of sale:

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| A ☐ | One Family Residential | C ☐ | Residential Vacant Land | E ☒ 4 | Commercial | G ☐ | Entertainment / Amusement | I ☐ | Industrial |
| B ☐ | 2 or 3 Family Residential | D ☐ | Non-Residential Vacant Land | F ☐ | Apartment | H ☐ | Community Service | J ☐ | Public Service |

## SALE INFORMATION

10. Sale Contract Date: 8 / 8 / 2012 (Month / Day / Year)

11. Date of Sale / Transfer: 6 / 7 / 2013 (Month / Day / Year)

12. Full Sale Price: $ 35,250,000

( Full Sale Price is the total amount paid for the property including personal property. This payment may be in the form of cash, other property or goods, or the assumption of mortgages or other obligations.) *Please round to the nearest whole dollar amount.*

13. Indicate the value of personal property included in the sale:

14. Check one or more of these conditions as applicable to transfer:

| | | |
|---|---|---|
| A | ☐ | Sale Between Relatives or Former Relatives |
| B | ☐ | Sale Between Related Companies or Partners in Business |
| C | ☐ | One of the Buyers is also a Seller |
| D | ☐ | Buyer or Seller is Government Agency or Lending Institution |
| E | ☐ | Deed Type not Warranty or Bargain and Sale (Specify Below ) |
| F | ☐ | Sale of Fractional or Less than Fee Interest ( Specify Below ) |
| G | ☐ | Significant Change in Property Between Taxable Status and Sale Dates |
| H | ☐ | Sale of Business is Included in Sale Price |
| I | ☐ | Other Unusual Factors Affecting Sale Price ( Specify Below ) |
| J | ☒ 4 | None |

## ASSESSMENT INFORMATION - Data should reflect the latest Final Assessment Roll and Tax Bill

15. Building Class: C 5

16. Total Assessed Value (of all parcels in transfer): 2,106,000

17. Borough, Block and Lot / Roll Identifier(s) ( If more than three, attach sheet with additional identifier(s) )

MANHATTAN 851 32

CITY REGISTER
JUN 19 2013

2013051500366201O5

**CERTIFICATION**

I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

| BUYER | | | BUYER'S ATTORNEY | |
|---|---|---|---|---|
| SEE ATTACHED | | | | |
| BUYER SIGNATURE | | DATE | LAST NAME | FIRST NAME |
| 30 WEST 21ST ST. 11TH FLOOR | | | | |
| STREET NUMBER | STREET NAME (AFTER BASE) | | AREA CODE | TELEPHONE NUMBER |
| NEW YORK | NY | 10010 | SELLER | |
| CITY OR TOWN | STATE | ZIP CODE | SELLER SIGNATURE | DATE 6/7/13 |

**SIGNATURE PAGE ATTACHED TO**

**REAL PROPERTY TRANSFER REPORT**
STATE OF NEW YORK
STATE BOARD OF REAL PROPERTY SERVICES
**Form RP - 5217NYC**
**ACRIS FORM**

**BUYER:**

**EAST 22ND ST. ACQUISITION HOLDINGS LLC**

By: _____
Name:
Title:

Date: 6/7/13

The City of New York
Department of Environmental Protection
Bureau of Customer Services
59-17 Junction Boulevard
Flushing, NY 11373-5108

# Customer Registration Form for Water and Sewer Billing

## Property and Owner Information:

(1) Property receiving service: BOROUGH: MANHATTAN BLOCK: 851 LOT: 32

(2) Property Address: 41-43 EAST 22ND STREET, NEW YORK, NY 10010

(3) Owner's Name: EAST 22ND ST. ACQUISITION HOLDINGS LLC

Additional Name:

## Affirmation:

☑ Your water & sewer bills will be sent to the property address shown above.

## Customer Billing Information:

**Please Note:**

A. Water and sewer charges are the legal responsibility of the owner of a property receiving water and/or sewer service. The owner's responsibility to pay such charges is not affected by any lease, license or other arrangement, or any assignment of responsibility for payment of such charges. Water and sewer charges constitute a lien on the property until paid. In addition to legal action against the owner, a failure to pay such charges when due may result in foreclosure of the lien by the City of New York, the property being placed in a lien sale by the City or Service Termination.

B. Original bills for water and/or sewer service will be mailed to the owner, **at the property address or to an alternate mailing address.** DEP will provide a duplicate copy of bills to one other party (such as a managing agent), however, any failure or delay by DEP in providing duplicate copies of bills shall in no way relieve the owner from his/her liability to pay all outstanding water and sewer charges. Contact DEP at (718) 595-7000 during business hours or visit www.nyc.gov/dep to provide us with the other party's information.

## Owner's Approval:

The undersigned certifies that he/she/it is the owner of the property receiving service referenced above; that he/she/it has read and understands Paragraphs A & B under the section captioned "Customer Billing Information"; and that the information supplied by the undersigned on this form is true and complete to the best of his/her/its knowledge.

Print Name of Owner:

Signature: SEE ATTACHED Date (mm/dd/yyyy)

Name and Title of Person Signing for Owner, if applicable:

**SIGNATURE PAGE ATTACHED TO**

**CUSTOMER REGISTRATION FORM FOR WATER AND SEWER BILLING**

**OWNER:**

**EAST 22ND ST. ACQUISITION HOLDINGS LLC**

By: _____
Name:
Title:

**NYC DEPARTMENT OF FINANCE**
**OFFICE OF THE CITY REGISTER**

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2013061201469001002EBDC8

**RECORDING AND ENDORSEMENT COVER PAGE** PAGE 1 OF 4

**Document ID:** 2013061201469001 Document Date: 06-07-2013 Preparation Date: 06-12-2013
Document Type: DEED
Document Page Count: 3

| **PRESENTER:** | **RETURN TO:** |
|---|---|
| KENSINGTON VANGUARD<br>39 WEST 37TH STREET, TITLE NO.811722<br>HOLD/ PICKUP SEARCH NY<br>NEW YORK, NY 10018<br>212-532-8686<br>chrisc@KVNATIONAL.COM | DANIEL BERMAN, ESQ.<br>KRAMER LEVIN NAFTALIS & FRANKEL LLP<br>1177 AVENUE OF THE AMERICAS<br>NEW YORK, NY 10036 |

**PROPERTY DATA**

| Borough | Block | Lot | Unit | Address |
|---|---|---|---|---|
| MANHATTAN | 851 | 32 | Entire Lot | 41-43 EAST 22ND STREET |

**Property Type:** COMMERCIAL REAL ESTATE

**CROSS REFERENCE DATA**

CRFN_____ *or* DocumentID_____ *or* _____ Year____ Reel____ Page____ *or* File Number_____

**PARTIES**

| **GRANTOR/SELLER:** | **GRANTEE/BUYER:** |
|---|---|
| ONE HAND REALTY, LLC<br>C/O ELMADANI SADEK, 829 SIXTH AVENUE, , 2ND FLOOR<br>NEW YORK , NY 10001 | EAST 22ND ST. ACQUISITION HOLDINGS LLC<br>30 WEST 21ST STREET, 11TH FLOOR<br>NEW YORK , NY 10010 |

**FEES AND TAXES**

| **Mortgage :** | | |
|---|---|---|
| Mortgage Amount: | $ | 0.00 |
| Taxable Mortgage Amount: | $ | 0.00 |
| Exemption: | | |
| TAXES: County (Basic): | $ | 0.00 |
| City (Additional): | $ | 0.00 |
| Spec (Additional): | $ | 0.00 |
| TASF: | $ | 0.00 |
| MTA: | $ | 0.00 |
| NYCTA: | $ | 0.00 |
| Additional MRT: | $ | 0.00 |
| TOTAL: | $ | 0.00 |
| Recording Fee: | $ | 52.00 |
| Affidavit Fee: | $ | 0.00 |

| | | |
|---|---|---|
| Filing Fee: | $ | 250.00 |
| NYC Real Property Transfer Tax: | $ | 925,312.50 |
| NYS Real Estate Transfer Tax: | $ | 141,000.00 |

**RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK**
Recorded/Filed 07-26-2013 15:40
City Register File No.(CRFN): **2013000295142**

*City Register Official Signature*

91782

NY - 1005 Bargain and Sale Deed, with Covenant against Grantor's Acts-Individual or Corporation (Single Sheet)

THIS INDENTURE, made [AS OF] the 7th day of June, 2013

BETWEEN

One Hand Realty, LLC , with an address at c/o Elmadani Sadek, 829 Sixth Avenue, 2nd Floor, New York, NY 10001

party of the first part, and

East 22nd St. Acquisition Holdings LLC, with an address at 30 West 21st Street, 11th Floor , New York, NY 10010

party of the second part,

WITNESSETH, that the party of the first part, in consideration of Ten and no/100 ($10.00) Dollars paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan,
City of New York and State of New York bounded and described as follows:

Exhibit "A" attached hereto

BEING the same premises previously conveyed by deed dated January 17, 2006 and recorded March 14, 2006 as CRFN 2006000142800, as confirmed by Confirmatory Deed made by One Hand Realty, LLC dated February 2, 2012 and recorded February 10, 2012 as CRFN 2012000057432.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first 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 total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.
IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

One Hand Realty, LLC

By: Elmadani Sadek, Managing Member

STATE OF NEW YORK,
COUNTY OF NEW YORK ss.:

On the 10 the day of June, 2013 before me personally appeared Elmadani Sadek, 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

XIAO FU
Notary Public, State of New York
No. 01FU6228438
Qualified in Queens County
Commission Expires April 4, 2015

SEAL

BARGAIN AND SALE DEED
WITH COVENANT AGAINST GRANTOR'S ACTS

ONE HAND REALTY, LLC

TO

EAST 22ND ST. ACQUISITION HOLDINGS LLC

Section: 3
Block: 851
Lot: 32
County or Town: New York
Street Address: 41-43 E. 22nd Street

RETURN BY MAIL TO
Daniel Berman, Esq.
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, NY 10036

Reserve this space for Office Use

## Exhibit A

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan;

BEGINNING at a point on the northerly side of 22nd Street, which is distant 125 feet westerly from the corner formed by the intersection of the westerly side of Park Avenue South formerly Fourth Avenue, with the said northerly side of 22nd Street;

RUNNING THENCE northerly parallel with Park Avenue South and part of the distance through a party wall, a distance of 98 feet 9 inches to the center line of the block;

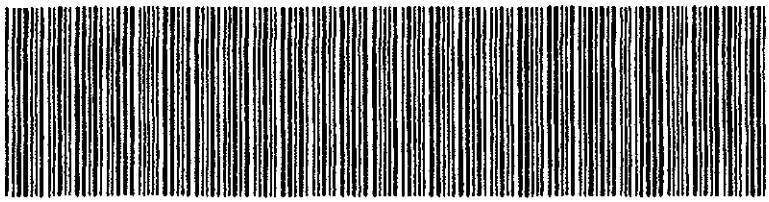
RUNNING THENCE westerly along the center line of the block and parallel with 22nd Street, a distance of 50 feet to a point opposite the center line of a party wall;

RUNNING THENCE southerly and part of the distance through the center line of a party wall and parallel with Park Avenue South, a distance of 98 feet 9 inches to the northerly side of 22nd Street, and

THENCE easterly along the northerly side of 22nd Street, a distance of 50 feet to the point or place of BEGINNING.

COMMONLY KNOWN AS 41-43 E. 22nd Street, New York, NY 10010.

**NYC DEPARTMENT OF FINANCE**
**OFFICE OF THE CITY REGISTER**



2013061201469001002S7349

**SUPPORTING DOCUMENT COVER PAGE** **PAGE 1 OF 1**

**Document ID: 2013061201469001** Document Date: 06-07-2013 Preparation Date: 06-12-2013
Document Type: DEED

**ASSOCIATED TAX FORM ID:** 2013051500366

**SUPPORTING DOCUMENTS SUBMITTED:**

| | Page Count |
|---|---|
| DEP CUSTOMER REGISTRATION FORM FOR WATER AND SEWER BILLING | 2 |
| RP - 5217 REAL PROPERTY TRANSFER REPORT | 3 |

FOR CITY USE ONLY

C1. County Code | | C2. Date Deed Recorded | | / | / | (Month / Day / Year)

C3. Book OR C4. Page | | | |

C6. CRFN | |

# REAL PROPERTY TRANSFER REPORT

STATE OF NEW YORK
STATE BOARD OF REAL PROPERTY SERVICES

# RP - 5217NYC

## PROPERTY INFORMATION

1. Property Location: 41-43 (STREET NUMBER) | EAST 22ND STREET (STREET NAME) | MANHATTAN (BOROUGH) | 10010 (ZIP CODE)

2. Buyer Name: EAST 22ND ST. ACQUISITION HOLDINGS LLC (LAST NAME / COMPANY) | (FIRST NAME)

(LAST NAME / COMPANY) | (FIRST NAME)

3. Tax Billing Address: Indicate where future Tax Bills are to be sent if other than buyer address (at bottom of form) | (LAST NAME / COMPANY) | (FIRST NAME)

(STREET NUMBER AND STREET NAME) | (CITY OR TOWN) | (STATE) | (ZIP CODE)

4. Indicate the number of Assessment Roll parcels transferred on the deed: 1 # of Parcels OR ☐ Part of a Parcel

4A. Planning Board Approval - N/A for NYC
4B. Agricultural District Notice - N/A for NYC

5. Deed Property Size: (FRONT FEET) X (DEPTH) OR (ACRES)

Check the boxes below as they apply:
6. Ownership Type is Condominium ☐
7. New Construction on Vacant Land ☐

8. Seller Name: ONE HAND REALTY, LLC (LAST NAME / COMPANY) | (FIRST NAME)

(LAST NAME / COMPANY) | (FIRST NAME)

9. Check the box below which most accurately describes the use of the property at the time of sale:

A ☐ One Family Residential
B ☐ 2 or 3 Family Residential
C ☐ Residential Vacant Land
D ☐ Non-Residential Vacant Land
E 4 Commercial / Apartment
F ☐
G ☐ Entertainment / Amusement
H ☐ Community Service
I ☐ Industrial
J ☐ Public Service

## SALE INFORMATION

10. Sale Contract Date: 8 / 8 / 2012 (Month / Day / Year)

11. Date of Sale / Transfer: 6 / 7 / 2013 (Month / Day / Year)

12. Full Sale Price $: 35,250,000

( Full Sale Price is the total amount paid for the property including personal property. This payment may be in the form of cash, other property or goods, or the assumption of mortgages or other obligations.) *Please round to the nearest whole dollar amount.*

13. Indicate the value of personal property included in the sale: |

14. Check one or more of these conditions as applicable to transfer:

A ☐ Sale Between Relatives or Former Relatives
B ☐ Sale Between Related Companies or Partners in Business
C ☐ One of the Buyers is also a Seller
D ☐ Buyer or Seller is Government Agency or Lending Institution
E ☐ Deed Type not Warranty or Bargain and Sale (Specify Below )
F ☐ Sale of Fractional or Less than Fee Interest ( Specify Below )
G ☐ Significant Change in Property Between Taxable Status and Sale Dates
H ☐ Sale of Business is Included in Sale Price
I ☐ Other Unusual Factors Affecting Sale Price ( Specify Below )
J 4 None

## ASSESSMENT INFORMATION - Data should reflect the latest Final Assessment Roll and Tax Bill

15. Building Class: C 5

16. Total Assessed Value (of all parcels in transfer): 2,010,600

17. Borough, Block and Lot / Roll Identifier(s) ( If more than three, attach sheet with additional identifier(s) )

MANHATTAN 851 32 | | |

CITY REGISTER
JUN 19 2013

2013051500366201O5

**CERTIFICATION** I certify that all of the items of information entered on this form are true and correct (to the best of my knowledge and belief) and understand that the making of any willful false statement of material fact herein will subject me to the provisions of the penal law relative to the making and filing of false instruments.

| BUYER | | | BUYER'S ATTORNEY | |
|---|---|---|---|---|
| SEE ATTACHED | | | | |
| BUYER SIGNATURE | | DATE | LAST NAME | FIRST NAME |
| 30 WEST 21ST ST. 11TH FLOOR | | | | |
| STREET NUMBER | STREET NAME (AFTER SALE) | | AREA CODE | TELEPHONE NUMBER |
| NEW YORK | NY | 10010 | SELLER | |
| CITY OR TOWN | STATE | ZIP CODE | SELLER SIGNATURE | DATE 6/7/13 |

2013051500366201

**SIGNATURE PAGE ATTACHED TO**

**REAL PROPERTY TRANSFER REPORT**
STATE OF NEW YORK
STATE BOARD OF REAL PROPERTY SERVICES
**Form RP - 5217NYC**
**ACRIS FORM**

**BUYER:**

**EAST 22ND ST. ACQUISITION HOLDINGS LLC**

By: _____
Name:
Title:

Date: 6/7/13

The City of New York
Department of Environmental Protection
Bureau of Customer Services
59-17 Junction Boulevard
Flushing, NY 11373-5108

# Customer Registration Form for Water and Sewer Billing

## Property and Owner Information:

(1) Property receiving service: BOROUGH: MANHATTAN BLOCK: 851 LOT: 32

(2) Property Address: 41-43 EAST 22ND STREET, NEW YORK, NY 10010

(3) Owner's Name: EAST 22ND ST. ACQUISITION HOLDINGS LLC

Additional Name:

## Affirmation:

☑ Your water & sewer bills will be sent to the property address shown above.

## Customer Billing Information:

**Please Note:**

A. Water and sewer charges are the legal responsibility of the owner of a property receiving water and/or sewer service. The owner's responsibility to pay such charges is not affected by any lease, license or other arrangement, or any assignment of responsibility for payment of such charges. Water and sewer charges constitute a lien on the property until paid. In addition to legal action against the owner, a failure to pay such charges when due may result in foreclosure of the lien by the City of New York, the property being placed in a lien sale by the City or Service Termination.

B. Original bills for water and/or sewer service will be mailed to the owner, **at the property address or to an alternate mailing address.** DEP will provide a duplicate copy of bills to one other party (such as a managing agent), however, any failure or delay by DEP in providing duplicate copies of bills shall in no way relieve the owner from his/her liability to pay all outstanding water and sewer charges. Contact DEP at (718) 595-7000 during business hours or visit www.nyc.gov/dep to provide us with the other party's information.

## Owner's Approval:

The undersigned certifies that he/she/it is the owner of the property receiving service referenced above; that he/she/it has read and understands Paragraphs A & B under the section captioned "Customer Billing Information"; and that the information supplied by the undersigned on this form is true and complete to the best of his/her/its knowledge.

Print Name of Owner:

Signature: SEE ATTACHED Date (mm/dd/yyyy)

Name and Title of Person Signing for Owner, if applicable:

**SIGNATURE PAGE ATTACHED TO**

**CUSTOMER REGISTRATION FORM FOR WATER AND SEWER BILLING**

**OWNER:**

**EAST 22ND ST. ACQUISITION HOLDINGS LLC**

By: _____
Name:
Title:

**Printed by:**
**The Mirell Company**
**(212) 629-4070**