THIS PLAN HAS BEEN AMENDED. SEE INSIDE FRONT COVER.

CONDOMINIUM OFFERING PLAN
179 LUDLOW STREET CONDOMINIUM

179 Ludlow Street
New York, New York 10002
New York County

Total Purchase Price for 6 Residential Units.....	$	10,000,000
Total Purchase Price for Commercial Condominium Unit.....	$	3,500,000
Total Offering Amount.....	$	13,500,000

SPONSOR/SELLING AGENT:

179 LUDLOW HOLDING LLC
5600A BROADWAY
BRONX, NEW YORK 10463

Date of Acceptance For Filing: June 23, 2014. This offering Plan shall not be used after June 22, 2015 unless extended by amendment.

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN.

SEE SPECIAL RISKS, PAGE 5.

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.

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FIRST AMENDMENT

This is the First Amendment to the Offering Plan for 179 Ludlow Street Condominium, 179 Ludlow Street, New York, New York. The Plan was originally filed on June 23, 2014.

1. Prices are increased as follows:

Unit No.	Purchase Price
1	$1,800,000.00
2	$1,650,000.00
3	$1,685,000.00
4	$1,700,000.00
5	$1,750,000.00
6	$2,400,000.00

2. There are no other material changes.

Dated: September 24,2014

179 Ludlow Holding LLC
Sponsor

SECOND AMENDMENT

This is the Second Amendment to the Offering Plan for 179 Ludlow Street Condominium, 179 Ludlow Street, New York, New York. The Plan was originally filed on June 23, 2014.

1. Schedule A reflects the following: (a) price increases from the First Amendment, (b) price increased to $1,710,000.00 for Unit 4, (c) corrected square footage for the units and the corresponding change in percentage in common elements; and (d) change in unit designations. The square feet set forth in the revised Schedule A matches the floor plans annexed hereto as Exhibit 4. The common charges reflect charges for gas and cooking, which will no longer be separately metered and will be a common expense and the division of expenses for Utilities with the Commercial Units, who had previously not participated in, but will not participate. A revised Schedule A is annexed hereto as Exhibit 1.

2. Schedule B and the Notes to Schedule B reflects the following: (a) reduced number of hours of the visiting Super and (b) addition of expenses for natural gas for cooking, which will no longer be separately metered, but rather, will be a common expense; (c) reduced amount for reserves; (d) a reduced estimate for the cost of the annual audited statement and tax returns; and (e) the Commercial Unit paying its share of the elevator service contract. The cost of natural gas for cooking is removed from Schedule B-1 and has been added to the Budget. This cost is reflected in Footnote 4 to Schedule B. The amount for Reserves was reduced, it being determined by the Broker, whose Certification is attached, that the reduced amount was sufficient for a new construction building. Finally, while the elevator service contract amount has not changed, the Notes reflect that the elevator will be used by the Commercial Unit to provide handicapped access. A revised Schedule B and Notes to Schedule B are annexed as Exhibit 2.

3. Taxes have been updated and are based upon a letter from Metropolitan Realty Exemptions, Inc., 118 Middleton Street, Brooklyn, New York 11206 dated November 3, 2014. The new estimates reflect the 2014/15 tax rate for Class 2 residential units of $12.855 per $100.00 of valuation and the 2014/15 tax rate for Class 4 commercial units of $10.684 per $100.00 of valuation. Based upon these rates, the total Residential Tax Liability is $79,019.60. This amount was divided between the residential units based upon the amount of common interest allocated to each unit. The total Commercial Tax Liability is $38,574.52. The following chart sets forth the post construction assessed valuations and annual taxes:

Unit	Post Construction Assessed Valuation	Annual Tax
C	$361,049	$38,575
2	$99,681	$12,814
3	$99,681	$12,814

4	$99,681	$12,814
5	$99,681	$12,814
6	$99,681	$12,814
PH	$116,295	$14,950

4. An updated Section 339i letter is annexed as Exhibit 3.

5. The first closing is estimated to be January 2, 2015. All dates in the Plan are adjusted based upon January 2, 2015 as the first closing date.

6. A Revised Architect's Report with Revised Floor Plans and Architect's Certification are annexed as Exhibit 4.

7. A new certification of the Budget is annexed as Exhibit 5.

8. The price for Unit 4 is increased to $1,710,000.00.

9. The following sections of the Plan and Bylaws are amended as they relate to Unit C.

Page 29, Description of Commercial Units, the following paragraph is added:

> "The commercial unit (Unit C) shall not be subject to the right of first refusal on the sale or lease of the commercial unit. The commercial unit owner shall have the right to mortgage the commercial unit without any restriction or limitation."

Rights and Obligations of Unit Owners on page 56, the following is added to the subsections set forth below:

Sales and Leases of Units, pages 56-57, the following is inserted at the end of the sub-section:

> "The foregoing restrictions upon sale and lease of Units shall not apply to the commercial unit owner; the commercial unit owner shall be free to sell or lease without first offering to sell or lease to the Condominium Board."

Mortgaging of Units, pages 58-59, the following is inserted at the end of the sub-section:

> "The commercial unit owner shall have the right to mortgage the commercial unit without restriction or limitation."

Restrictions on the Use of Units, pages 59-60, the following is inserted at the end of the sub-section:

> "Notwithstanding the foregoing restrictions, the commercial unit may be used for any lawful purpose, except as set forth in Article 9(c).

Alterations and Improvements of units and Common Elements, pages 61-62, the following is inserted at the end of the sub-section:

> "In addition to the Sponsor or its designee, the foregoing restrictions shall not apply to the commercial unit owner and the commercial unit: the commercial unit owner shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units, to make alterations, additions, improvements, or repairs in or tho the commercial unit."

The Bylaws are amended as follows:

Section 5.2(B), add at end of paragraph:

> "Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2 or anything else contained in the Bylaws or the Condominium Declaration, the commercial unit owner shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units, to make alterations, additions, improvements, or repairs in or to the commercial unit."

Section 5.7, a new paragraph (E) is inserted:

> "(E) Notwithstanding anything to the contrary in this Section 5.7, or the Bylaws or the Condominium Declaration, the commercial unit may be used for any lawful purpose except as set forth in Article 9(c).

Section 7.5(B), a new subsection (vi) is inserted:

> "(vi) The owner of Unit C, the commercial unit.

Section 7.5(B), the last sentence of this section is deleted and replaced with the following:

> "Provided, however, that each succeeding Unit Owner (except the Owner of Unit C, the commercial unit, who shall always be exempt from the terms of Article 7) shall be bound by, and his or her Unit shall be subject to, all of the terms and conditions of this Article 7."

Article 8, a new Article 8.7 is added as follows:

> 8.7 Notwithstanding anything to the contrary in this Article 8, or the Bylaws or the Condominium Declaration, the commercial unit owner shall have the right to mortgage the commercial unit without restriction or limitation."

Article 9(a) of the Declaration is amended to delete the words "Medical Unit" and replace them with "commercial unit" and to delete the words "any medical purpose allowed by law" and replace them with "any commercial purpose as set forth in Article 9(c) below".

Article 9(c) of the Declaration is amended to read as follows:

> " (c) The Commercial Unit may be used for any legal use under the zoning and building codes, except that no sale or distribution of any food or beverage shall be made in or from the commercial unit (Unit C)."

10. There are no other material changes.

Dated: December 10, 2014

179 Ludlow Holding LLC
Sponsor

EXHIBIT 1
SCHEDULE A
PURCHASE PRICE AND OTHER FINANCIAL DETAILS FOR EACH UNIT
COMMON CHARGES REFLECT FIRST YEAR OF OPERATION COMMENCING JANUARY 1, 2015

UNIT NO	BEDROOMS/ BATHS(FLOOR)	(1) # OF GROSS SQUARE FEET	(3) OFFERING PRICES	(2) PERCENTAGE OF COMMON INTEREST	(4) PROJECTED MONTHLY COMMON CHARGES	(5) PROJECTED MONTHLY/ ANNUAL REAL ESTATE TAXES	PROJECTED MONTHLY CARRYING CHARGES
C	Commercial (Ground and Basement)	2219	$ 3,500,000	26.00	$ 1158.28	3,215/38,575	$4,373.28
2	2/2(Second)	1073	1,800,000	12.00	820.28	1,068/12,814	1,888.28
3	2/2(Third)	1069	1,650,000	12.00	820.28	1,068/12,814	1,888.28
4	2/2(Fourth)	1069	1,685,000	12.00	820.28	1,068/12,814	1,888.28
5	2/2(Fifth)	1069	1,700,000	12.00	820.28	1,068/12,814	1,888.28
6	2/2(Sixth)	1069	1,750,000	12.00	820.28	1,068/12,814	1,888.28
PH	2/2(Seventh and Mezzanine)	1269	2,400,000	14.00	956.99	1,246/14,950	2,202.99
		8837	14,485,000	100.00	6,216.67	9,799/117,585	16,015.67

Unit C is comprised of 1,651 sf on the Ground Floor and 568 sf in the Basement; Unit 2 includes a Terrace of 471 square feet; Units 3,4, 5 and 6 include Terraces of 79 square feet; and Unit PH includes a Roof Terrace 143 square feet and a Balcony of 79 square feet on the Seventh Floor and a Roof Terrace of 267 square feet on the Mezzanine Level. Residential Units 2, 3, 4, 5 and 6 include a Cellar Storage space of 54 square feet and Unit PH includes a Cellar Storage space of 48 square feet.

EXHIBIT 2
SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

(Estimated to Commence January 1, 2015

Projected Income:

Annual Common Charges (1)	$	74,600

Projected Expenses:

Labor (2)	$	7,456*
Repairs and Maintenance (3)		4,000
Heat, Hot Water and Cooking Gas (4)		8,000*
Utilities (Electric) (5)		13,145
Insurance (6)		7,500
Water Charges and Sewer Rents (7)		5,685*
Service Contracts (8)		13,320
Management Fees (9)		7,500
Audit Fees (10)		2,500
Contingency (11)		2,500
Reserves For Capital Replacements (12)		2,000
Other Expenses (14)		994
Total	$	74,600

*Each Unit Owner will pay common charges on his or her unit in accordance with the New York State Condominium Act, Real Property Law Sections 339(i) and 339(m). Common Charges for Unit C will be based on special or exclusive use or availability or exclusive control of such Unit and usage of such Unit of Common Elements, as authorized by Section 339(m) of the New York Real Property Law (so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law). Because C is a commercial unit, has its own entrance to the sidewalk, it does not share the use of the security systems, corridors, the services of the superintendent and has its own water meter, the Unit will not share in the maintenance, repair or replacement of these improvements or services. Those items with an * will not be charged to the owner of Unit C. Otherwise, Common Expenses will be allocated among the Units in accordance with their Common Interest.

FOOTNOTES TO SCHEDULE B

(1) Common Charges-

Amounts are projected on the assumption that the first year of condominium operation will be the year from January 1, 2015 to December 31, 2015.

(2) Labor - Payroll and Related Costs- Anticipates one (1) part time non-union superintendent at $100.00 per week. The super will devote approximately 8 hours per week to the condominium. The super's compensation is based on $12.50 per hour. In addition, the condominium will also pay the following costs associated with the superintendent:

Bonus and Vacation	$ 250
Workers Comp and Disability	810
Unemployment & Payroll Tax	1,196

This is in compliance with all applicable local housing and labor laws. Janitorial service will be available through the Managing Agent on a 24 hour a day, seven day a week needs basis in compliance with the Administrative Code of the City of New York. If this service is needed for work to a unit, the unit owner will be charged for such service.

(4) In addition to the cost for gas usage for domestic hot water, gas for cooking will now be delivered through the central building meter. The additional cost for cooking gas was estimated by Jack Green Associates, Consulting Engineers, in a letter dated July 30, 2014. This was reflected in the original Plan as part of Schedule B-1. The amount of $155.00 per unit based on the estimated usage per unit of 109.5 therms at a cost of $1.40 per therm, has been added to the Budget.

(8) Time Warner Cable: Cost of telephone lines for emergency phone in elevator and fire alarm. Also includes cost of internet connectivity for security system (cameras, wireless infrastructure, intercom and elevator interface). Also permits unit owners to access security system remotely. This is based on an estimate from Time Warner Cable of $300.00 per month.

(10) Legal & Audit Fees

$2,500.00 of the budgeted item will be used for auditing fees in connection with preparation of the first year's financial statements of the Condominium and its Federal and State income returns per an estimate provided by Samuel Reinhold, Certified Public Accountant, 1764-49th Street, Brooklyn, New York 11219. No funds have been budgeted for legal fees. If the condominium wishes to retain the services of an attorney, it will necessitate an increase in common charges.

NOTE: The budget is based on the anticipated first year of operation commencing January 1, 2015. If the actual or anticipated date of commencement of condominium operation is delayed more than six (6) months from this date, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty-five (25%) percent or more, the sponsor will offer all purchasers the right to rescind and their purchase agreements in not less than fifteen (15) days of the presentation to exercise the right. Downpayments or deposits of purchasers who rescind will be returned within thirty (30) days of receipt of their rescission request. Sponsor may not declare the plan effective where there are any material changes to the budget that have not been disclosed by duly filed amendment to the offering plan.

EXHIBIT 3

MARSHALL S. SCHIFF, P.C.

ATTORNEY AT LAW

ONE NORTH BROADWAY, SUITE 701
WHITE PLAINS, NEW YORK 10601-2319
(914) 421-1800
FAX: (914) 421-1856
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COMPLIANCE WITH REAL PROPERTY LAW 339-i

November 3, 2014

179 Ludlow Holding LLC
1564 49th Street
New York, New York 11219

Re: 179 Ludlow Street Condominium
179 Ludlow Street, New York, New York

Gentlemen:

I am an attorney and am fully familiar with the provisions of Real Property Law Section 339-i. I have written over 50 offering plans for the creation of condominiums in the State of New York. I have been active in residential and commercial real estate for over 30 years. I am an expert in the field of condominium law, including the allocation of common interest.

The method selected for determining the percentage of common interest allocated to each unit of 179 Ludlow Street Condominium is based on floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, uniqueness of the unit, the availability of common elements for exclusive or shared use an the overall dimensions of the unit, pursuant to Section 339-i(1)(iv) of the Real Property Law.

In arriving at the allocation of common interest, I relied on the following other factual determinations:

a. My expertise in the field of condominium law.
b. Consultation with Ariel Tirosh, licensed associate real estate broker at Douglas Elliman Real Estate.

The allocation of percentages of common interest complies with Section 339-i(1)(iv) of the Real Property Law.

This letter may be included in the offering plan.

Very truly yours,

Marshall S. Schiff

EXHIBIT 4

179 LUDLOW STREET
CONDOMINIUM APARTMENT BUILDING
NEW YORK, NY 10002

November 24, 2014

General: The property described herein will contain an altered existing 7 story structure with Cellar.

Consultants: Jack Green Associates, Licensed Professional MEP Engineers in New York
Bruce Goldman, Licensed Professional Structural Engineer in New York

A. Location of Property:

1.	Address:	179 Ludlow Street New York, NY 10002 (Entrance on Ludlow Street)
2.	Block No.: Lot No.:	412 26
3.	Zoning District:	C4-4A The legal limitations for this Zoning District are as per the NYC Zoning Resolution as modified by BSA Resolution 307-08-BZY. There are no additional limitations beyond the underlying district regulations for the C4-4A district.
	Zoning Map:	12C
4.	Permissible Uses	Use groups 1 & 2 - Residential Use groups 3, 4 – Community facility Use Group 5, 6, 8, 9, 10, and 12 - Commercial
5.	Landmark Status:	None

B. Status of Construction / Status of Building

1. The Alteration is under construction pursuant to Department of Buildings application number 104385746, that was originally filed and approved in March 2006.

2. The initial construction permit was issued on or about March 24, 2006 was renewed in September of 2006 and expired in November of 2006 when it is believed that construction was halted. A new permit was issued to a different contractor in April of 2007 when it is believed that construction operations recommenced. This permit expired in April of 2008 when it is believed that construction operations ceased.

   In 2008 the seven (7) story concrete masonry bearing wall super structure was completed with exterior stucco (believed to be acrylic) weather protection, including

roofing, exit stair, elevator shaft, partially installed elevator equipment, partial plumbing, sprinklers, mechanical systems, interior framing, partial dry wall installation, partial windows, and some finished materials. Temporary construction fences were installed on the easterly and westerly facades.

The existing CMU walls were constructed with the exterior block face on the property line and without insulation. The pre-existing condition may have resulted in moisture accumulation within the exterior walls. The contractor installed an EIFS (Exterior Insulation Finish System) on the existing CMU walls. Periodic inspection and proper maintenance of exterior walls is necessary and should be performed on a regular basis to prevent unexpected issues and to ensure long term performance of the building.

The structure of the existing rear balconies of the building is cantilevered steel supporting a metal pan with concrete fill.

The surface of the existing balconies were pitched slightly towards the rear façade of the building causing water infiltration at the intersection of the rear wall and damage to the sub-floor which has been replaced. The contractor removed the existing concrete and the balconies were re-poured with a proper pitch away from the building. The balcony pan was re-poured with hydro-static concrete selected by the contractor. The balconies should be inspected on a regular basis to monitor the condition of the steel pan to adequately monitor and properly maintain the balcony, to prevent deterioration.

The balconies and outdoor terraces are designed in compliance with the NYC Building Code. These areas are not intended to be used by minors without responsible adult supervision. Window guards, gates or other measures for the protection of minors may be required by local law when minors are occupants in these units.

The approvals, permits and the construction described above were completed prior to the enactment of the New York City Energy Conservation Code.

Since the termination of construction in 2008, the building remained in the state of partial completion noted above and was partially exposed to the weather, water infiltration, thermal fluctuations, until construction was resumed as noted below.

3. Construction permits were re-instated on or about June 27, 2013 and construction was continued. Portions of previously completed work may have been altered, removed or replaced. The existing concrete masonry super-structure remains as the exterior envelope as originally built. There may be certain modification made to accommodate alterations to the project.

4. The projected date of substantial completion is on or about December of 2014 unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

5. Class of Construction. The Building is classified as Class IIB (Combustible) and will conform to all applicable regulations of the Building code of the City of New York (the "Building Code"). The building plans have been filed with the New York City Department of Buildings, which issued Alteration permit 104385746-01-AL on June 27, 2013.

I. **27-282 Construction class II-B.** - Includes buildings and spaces in which the exterior walls, fire walls, exit ways, and shaft enclosures are of noncombustible materials having the required fire resistance ratings; and in which the floors, roofs, and interior framing are wholly or partly of wood of smaller dimensions than required for class II-A construction, or are of other combustible or noncombustible materials, having the required fire-resistance ratings.

6. Certificate of Occupancy: In accordance with all applicable laws (including the NY State Multiple Dwelling Law Section 301), after the completion of construction, the Sponsor will apply for a Certificate of Occupancy for the building from the Department of Buildings of the City of New York (the "Department of Buildings"). The Sponsor will obtain a Temporary Certificate of Occupancy prior to the first unit closing.

7. After a Certificate of Occupancy is issued, all elements of the property will require ongoing monitoring, maintenance and repair as appropriate and an appropriate plan should be developed and implemented by the condominium management to provide for the ongoing maintenance of the property.

C. **Site**

1. The total site area is approximately 2,093 square feet.

   The site dimensions are 23'-10" x 87'-10"

2. There will be a single 7-story building with one cellar.

   I. Floors will be designated as C, G, 2, 3, 4, 5, 6, PH, and R.

   II. The Cellar level shall be designated as C and contains storage areas, mechanical rooms, and cellar level retail storage

   III. The first floor shall be designated as G and contains the residential lobby and commercial retail space.

   IV. Floors Two (2) through Seven (7) contain residential units.

   V. The Roof contains a Common Area assigned to residential unit 7 and a Mezzanine part of residential unit 7

3. The building's faces east onto Ludlow Street a 60' wide street with south bound traffic.

   I The existing paving will remain.

   II The existing curb will remain

   III There is no public street lighting in front of the property. Lighting will be provided at the entrances to the residential lobby and at the commercial entrance. There is an existing public street lamp (cast iron replica) on the east side of Ludlow Street northeast of the northeast corner of the property.

IV The sidewalk is existing. The entrance to the residential lobby is at grade and conforms to NYC Local Law 58/87 for handicap accessibility requirements.

a) There are no driveways, curb cuts or street ramps

D **Utilities** (information provided by Jack Green Associates, MEP Engineers)

1 Water service is provided by the City of New York. There will be a single meter for the building that will be managed by the condominium management. The cost of the water service will be shared proportionately by the individual units.

2 The Sanitary Sewer System is connected to the public sewer system provided by the City of New York and managed by the condominium management.

3 Gas service will be provided by the Con Edison of New York.

I There will be a single meter for residential cooking that will be managed by the condominium management. The cost of the residential cooking gas will be shared proportionately by the individual units.

II There will be a single meter for hot water heater that will be managed by the condominium management. The cost of the hot water heater's gas will be shared proportionately by the individual units.

4 Electric service will be provided by Con Edison of New York.

I There will be a separate meter for each unit. Each unit will be billed by Con Edison and will be solely responsible for the cost of their service.

II There will be a separate meter for the common areas of the building. Con Edison will bill the condominium management who will be responsible for the cost of the service.

5 Telephone services will be provided by Time Warner

I A Telephone service connection will be located in the common cellar area by the utility company. Distribution, billing and the cost of the telephone service to each unit will be the sole responsibility of the individual units.

E **Sub-soil conditions** (information provided by Bruce Goldman, Structural PE of RCM Technologies)

1 There were no changes to the foundation. Pre-existing foundations were utilized to support the additions.

2 The depth of the water table is not known and there no known risk for water infiltration.

3 There is no known danger from flooding, mudslides or erosion.

F **Landscape and Enclosure**

1. Grass Cover Not Applicable

2	Plantings	Not Applicable
3	Trees	Not Applicable

4 Fencing

I Privacy screens shall be constructed to divide the residential roof areas as required. Metal railings will also be provided at parapets per the plans. Upkeep and Maintenance of railings and security fencing is a common expense.

5 Gates

I Integral with fences at roof terraces where require. Upkeep of roof fences, gates and other perimeter security measures is a common expense

6	Garden Walls	Not Applicable
7	Retaining Walls	Not Applicable
8	Display pools and fountains	Not Applicable

G Building Size

1 The total height of the building from the mean curb elevation on Ludlow Street to the top of the roof structural is 79'-11"

2 Crawl spaces are not provided

3 There will be only one cellar level

4 There will be 7 floors above grade and one cellar floor below grade.

5 Equipment rooms are located as follows:

I Stair and elevator bulkheads, will be located on the roof.

II There will be elevator mechanical, electrical, water and sprinkler pump rooms in the cellar

6 Parapet walls are located as follows

I Height from top of roof finish to top of parapet coping or railing as applicable will be a minimum of 3'-6"

H Structural System

1 Exterior of building

I Walls: (information provided by Bruce Goldman, Structural PE of RCM Technologies)

a) For the initial modification commenced in 2006, the original building brick foundation and bearing walls were utilized. These items are estimated to be constructed in 1920 based on information available from the New York City Department of Buildings. The original construction was modified as required for the new construction

b) For the construction commenced in 2006, the new floor construction consisting of light gage metal framing was installed for all floors. Structural steel members were installed to support the balconies and the east and west walls at transitions. The existing north and south bearing walls were extended using 8" concrete masonry unit.

c) The structural modification work filed with the New York City Department of Buildings in 2013 includes modifications to the east face of the building including removal of the existing balconies, extending the walls and floor structure and adding new fire escapes; modifications to the west face of the building at the lower levels; modifying the upper floor and roof structure for a new mezzanine, and various interior modifications required for the new interior arrangements.

d) This building will be subject to the regulations of NYC Local Law 11 that will require periodic inspections and maintenance of the building's facades.

II Windows: The windows at all floors will be a combination of new aluminum casement or sliding sashes and fixed windows, double-glazed, with a standard 1 year manufacturer's warranty (Arcadia Fixed – Projecting T200 Series (Thermal)) by NYC Glass Works. The warranty period will start from the end date of completion of the window installation. The area of operability is in compliance with the requirements of the 1968 NYC Building Code.

III Landmark Status: Not Applicable

2. Parapets and Copings: The roofs and terrace parapets will be masonry walls reinforced with vertical steel dowels embedded into the concrete slab. The parapet on the front terrace of the 6th Floor will be framed with exterior gypsum sheathing. The parapet coping shall be aluminum. The interior face of the parapet walls will be masonry. The height of all parapet walls or railings will comply with the New York City Building Code and be a minimum of 42" above roof deck. Exposed exterior flashing for the building shall be galvanized steel.

3. Chimneys and Caps: The flues are to be custom fabricated as per the MEP Engineer's specifications by the mechanical contractor and shall terminate above the roof structure as required by the Building Code of New York City. There is one flue in the entire building for the water heaters. The flue is Type B Double Wall as manufactured by Metalbestos. The flue is terminated with a NYC approved ventilation cap.

4 Balconies & Terraces: The easterly fire escape (front) and westerly (rear) balconies will be constructed using structural steel tubes. (Information provided by Bruce Goldman, Structural PE of RCM Technologies)

I Deck Finish:

a) Roof terrace decks will be porcelain pavers at roof terraces.

b) The fire escape (front) balcony deck will be constructed using steel grating on the east side.

c) The rear balcony decks will be concrete with sealant on metal deck on the west side.

II Balustrade: painted steel.

III Railings: painted steel railings at balconies with painted steel horizontal guards.

IV Copings: aluminum copings at all parapets.

V Soffits: soffits and undersides of overhead surfaces will be painted steel grating.

a) Under Fire Escape: Painted steel grating.

b) Under Rear Balconies: Painted steel panels.

VI Doors to balconies and terraces: Aluminum hollow metal frames and transparent tempered insulated glass panels as per code. The exterior finish will be anodized aluminum cladding fabricated by NYC Glass Works.

a) The doors to the balconies will be Arcadia Sliding Door ULT-5000 T/B Monumental and Arcadia Swinging High Performance Terrace Doors 8250 T/B.

VII Condition of existing balconies.

a) The structure of the existing rear balconies of the building is cantilevered steel supporting a metal pan with concrete fill.

b) The surface of the existing balconies were pitched slightly towards the rear façade of the building causing water infiltration at the intersection of the rear wall and damage to the sub-floor which has been replaced. The contractor removed the existing concrete and the balconies were re-poured with a proper pitch away from the building. The balcony pan was re-poured with hydro-static concrete selected by the contractor. The balconies should be inspected on a regular basis to monitor the condition of the steel pan to adequately monitor and properly maintain the balcony, to prevent deterioration.

5 Exterior Entrances and Ground Floor Public Areas

I Exterior Doors and frames: The main entrances at the Residential Lobby to have aluminum hollow metal frames and transparent tempered glass panels as per code. The exterior finish will be anodized aluminum cladding. A canopy is planned at the building entrance on Ludlow Street that will be supported from a

steel structure with a glass awning suspended from the structure at the ground floor.

a) The exterior doors and frames are being fabricated by NYC Glass Works in compliance with the 1968 NYC Building Code. Arcadia Swinging High Performance Terrace Doors 8250 T/B with C.R. Lawrence Hardware Series DR10SBS.

II Vestibule Doors and Frames: Aluminum hollow metal frames and transparent tempered glass panels. The exterior finish will be anodized aluminum cladding.

b) The vestibule doors and frames are being fabricated by NYC Glass Works in compliance with the 1968 NYC Building Code. Arcadia Swinging High Performance Terrace Doors 8250 T/B.

III Fire Escape Stairs: The fire escape stairs are located on the east façade of the building and are to be constructed of painted steel and are provided as the secondary means of egress only in compliance with the NYC Building Code.

IV Railings: Exterior railings are painted steel, comply with the NYC building code and are located as per plan.

V Mail Boxes: Mail boxes will be located in the Residential Lobby at the Ground Floor and will be front loading finished metal and U.S. Postal Service approved. Postal Products Unlimited 1250 Series 7-Door Recessed Vertical Mailbox.

VI Lighting: Lighting will be provided at the building exterior entrance (Modern Forms Suspense Model WS-W19 LED Outdoor Sconce Luminiare), in the lobby, and public corridors (WAC Lighting Recessed HR-3LED-T118). Lighting will be provided at the private terraces at the roof levels (WAC Lighting Recessed H18D-A).

6 Service entrances: There are no service entrances.

7 Roof and Roof Structures

I Type of roofs for all areas

a) Material: Firestone UltraPly TPO 0.60" in limited locations. Insulation and roofing will be pitched towards drains (as recommended by the roofing manufacturer).

b) Insulation: Insulation shall be a minimum R 20 continuous insulation above the roof over the 5th floor front. There will be R38 cavity insulation in the low basement roof, the high basement roof, the 6th floor main roof, and the 6th floor mezzanine roof. The approvals and permits for this structure predates the implementation of New York City Energy Conservation Code.

c) Surface Finish: The surface finish will be a composite porcelain paving system.

d) Bond or Warranty: The roofing system shall have a two-year minimum manufacturer's warranty. Expected useful life of the roofing system shall have a minimum life of up to 10 years.

e) Flashing Material: There will be galvanized steel counter flashing and membrane base flashing as required and will be compatible with the roof assembly.

II Drains

a) Location, Material and Type: At roof bulkheads, main roof, and terraces will be cast iron drains with domed or flat type grates to exclude debris. In Bulk head locations scuppers and leaders may direct water to drains at the roof level below.

b) Gutters and Leaders:

1 An aluminum gutter will be fabricated by NYC Glass Works Corp. and will be integral with the skylight above the 6h floor. The leaders will lead water to the adjacent roof and will land on a splash block as required.

2 An aluminum gutter will be installed in the awning at the residential entrance that will be connected to a concealed internal drain piping leading to the building's storm sewer.

III Skylights:

a) An integrated structurally self-supporting skylight fabricated by NYC Glass Works will be installed over the mezzanine level of the top floor unit.

b) Vented skylights may be provided in lieu of fixed motorized vents over the stair and elevator bulkheads as required by NYC Building Code and the Multiple Dwelling Law.

IV Bulkheads, (information provided by Bruce Goldman, Structural PE of RCM Technologies)

a) Stairs: The stair enclosure will be part of roof bulkhead which will consist of Concrete block walls with stucco finish.

b) Elevator: The bulkhead will be part of roof bulkhead, which will consist of Concrete block walls with stucco finish.

V Metal Work at Roof Levels

a) Exterior Metal Stairs: None (see fire escape).

b) Vertical Ladders: exterior, vertical ladders shall be provided to gain access to the upper roof level of the stair, elevator bulkheads and boiler room as required (one per bulkhead).

c) Railings: Provided to a height of 3'-6" above finished roof levels in all locations, other than where parapet rises to 3'-6" above finished roof levels. Painted steel railing at roof terraces and parapets as required to meet code heights.

d) Hatches to Roof: There is on hatch on the lower mechanical roof to provide access to the mechanical equipment through the retail store.

e) Other – Not Applicable

VI Rooftop facilities - No Common roof area will be provided.

8 Fire escape (information provided by Bruce Goldman, Structural PE of RCM Technologies)

I The fire escape is new and will be located on the front of the building which is the easterly façade.

a) The fire escape is being constructed in steel that will be attached via welding and high strength bolts in accordance with the structural plans and is integrated into the overall structure of the building.

II The fire escape will provide access from the roof level to grade and all stories in between complying with NYC building code in order to provide a second means of egress as approved by the NYC Code Determination 23835 dated July 12, 2012.

III Drop Ladder – Steel ladder to be held in place by steel latch until activation

IV Type – Typical gravity operated fire escape ladder part of drop ladder

V Materials - The fire escape will be constructed of painted metal.

9 Yards and courts – The rear yard equivalent is located on the roof above the commercial space on the Ground Floor (basement level).

I Paving: Composite porcelain paving system.

II Drainage: Surface drains, and roof or area drains draining to internal pipes attached to the storm water drainage system per plans.

III Railings: Not Applicable

IV Stairs: Not Applicable

V Fencing: Architectural Louver at rear line of upper (mechanical equipment) level. There will be a visual screen to shield the lower (1st floor unit's terrace) from the HVAC equipment that will be located on the upper level.

VI Walls: Walls and parapets will be CMU with light colored cement.

10.1 Interior Public Stairs

I Number of Stairs: There is one public stair core in the building, which extends to the Roof level. The stairs exits through a fire rated corridor to grade.

II Enclosure: The stairs will be enclosed with a min. 2-hour rated concrete block masonry walls around the main stair enclosure form the cellar to the roof bulkhead. The 6th floor mezzanine vestibule bulkhead walls will be made of 2 hour stud framing. The interior of the fire stair will be painted. All stair walls will be painted.

III Stair Construction: The exit stairway is pre-existing and was constructed prior to the involvement of the current sponsor and architect. The stairway is constructed of steel stringers with metal pans treads and platforms fill with concrete fill.

IV Stringers: Painted steel stringers.

V Treads: Painted steel pan with Concrete infill.

VI Risers: Painted steel.

VII Guard & Hand Rails: There shall be a steel handrail in each stair in conformance to the NYC Building Code.

VIII Balustrade: Steel bars as required.

10.2 Interior 6th floor Duplex Unit Stairs

I There will be a private access stair in the 7th floor duplex unit that will be a 36" wide interior stair with balustrades and guards as required, connecting both levels of the unit.

II Enclosure: This private access stair is unenclosed.

III Stair Construction: Stairs will be steel construction with finish solid wood treads.

IIV Stringers: Painted steel.

V Treads: Finished wood treads.

VI Risers: Open risers.

VII Guard & Hand Railings: Painted steel and wood.

VIII Balustrade: Painted steel.

11 Interior Doors and Frames

I Unit Entrances: The Residential units shall enter directly off of the elevator. All residential entrance doors shall be 1 ½ hour fire rated self-closing hollow-metal in

a 1 ½ hour-rated metal frame (Stanley Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors) and will meet the NYC Building Code requirement. The apartment interior doors shall be Birch Flush Doors Solid Core Jeldin or Equivalent.

II Corridor Doors and Frames: All doors and frames shall be Stanley or Equivalent Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors and will have an approved fire rating label in order to meet the NYC Building Code requirements

III Stair Hall Doors and Frames: All doors and frames shall be Stanley or Equivalent Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors and will meet the NYC Building Code requirements

IV Roof Doors, Lower Level Doors and Frames: These doors and frames shall be Stanley Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors and will meet the NYC Building Code requirements

12 Elevators

I There shall be one passenger elevator.

II The elevator the elevator manufacturer will be Mongrain Vertical Transport shall have a capacity of 2,000 pounds (approximately 10-12 people).

III The type of operation will be selected collective operation.

IV The elevators will have an automatic VVVF, microprocessor based, solid state controller.

V The elevators will serve all floors, including the Cellar, Ground Floor, Floors 2 - 7 and Roof.

VI The elevator is a hole less hydraulic cantilever roped elevator.

VII Doors are two speed with detector edge light ray obstruction sensor.

VIII The elevator machine room is located on the cellar level.

IX DC motor – None.

X AC motor - There is an AC motor in the submersible hydraulic tank drive unit - pump /motor data is as follows submersible made by ELMO type AT-2pU60hz/0508 -01-1/2 3phase 208 volts.

XI Other: None

13 Elevator Cab

I Elevator cab manufacturer: Velis Associates, or equal.

II The floor material will be ceramic tile.

III The walls for elevator cab will be glass panels.

IV The ceiling for elevator cab will be stainless steel ceiling panels.

V The lighting of the cab will recessed low voltage fixtures.

VI. Alarm and recall operations will be as per New York City Building Code and requirements of the New York City Fire Department.

I. **Auxiliary Facilities**

1 Laundry Rooms – There is no laundry room.

I Each residential unit is provided with one combined washer/dryer machine that will be located in a laundry closet adjacent to the guest bathroom. The washer and dryer are provided by the Sponsor, and the maintenance of the units is the responsibility of the unit's owner.

II There is one washer in each residential unit.

III There is one dryer in each residential unit.

IV The laundry closet door custom pocket door in each residential unit .

V The electric dryer unit will be a self-venting condensate unit.

2 Refuse Disposal

I Incinerators: None

II Compactors Refuse Chutes: None

III Approvals: Not Applicable

IV Storage Locations: The refuse will be stored in the Refuse Room located at the cellar floor and will be transferred to street level through the public hall. Recycling of designated materials will be mandatory. Recyclables will be stored in the refuse room.

V Bags and recyclables from the residential refuse room shall be transported to street level by the building superintendent (employed by the condominium management), and then removed by the New York City Department of Sanitation.

J. **Plumbing and Drainage** - (information provided by Jack Green Associates, MEP Engineers)

1. Water Supply:

i) Domestic water will be supplied from a 3" domestic water service connected to the street water main on Ludlow Street.

ii) NYC approved water meter and reduced pressure zone device will be provided in Water Meter Room.

iii) Domestic water delivered to each apartment via risers and a domestic water booster pump, similar to "Federal Pump" Duplex model SP-60-4, 60 GPM @ 90 FT, 3HP, 208 Volts/3 phase.

iv) The domestic hot water temperature to all fixtures will be approximately 120 degrees Fahrenheit and controlled by a mixing valve at the water heater. Domestic water heating will be provided by two (2) gas fired water heaters, similar to "A.O. Smith" model BTR-200, 100 Gallons, 199,000 Btu/hr gas input.

v) Flow conservation devices will be provided on all water supplies to all showers.

vi) The cold, hot and hot water circulation piping is copper type.

vii) Water conservation plumbing fixtures will be provided.

2. Fire Protection System:

i) The Building will be sprinklered per NYC Building and Fire Code.

ii) A 6" fire service from Ludlow Street will supply a 4" combined fire standpipe and sprinkler riser located in the stair. The riser will serve sprinkler systems throughout each floor, and each hose Station/hose valve on each floor. The pipe material is black steel pipe. Fire service is provided with a backflow preventer.

iii) On the cellar level, a fire hose rack is provided. In the residential lobby area, a NYC Fire Department hose storage cabinet will be provided with hose and nozzle. In addition, a key cabinet for the Fire Department use to open the hose cabinet will also be provided adjacent to the hose cabinet.

iv) Sprinklers will be provided throughout the building except for residential bathrooms and closets. The entire building including all below grade areas, will be protected with a wet sprinkler system. The sprinkler system is supplied from the combined fire standpipe and sprinkler system. Upright, pendent and flush type heads will be provided throughout. The sprinkler system will be designed for light and ordinary hazard occupancy.

v) The secondary source of water supply is from the combined fire standpipe and sprinkler system flush type Siamese facing Ludlow Street.

3. Water Storage Tank: None provided

4. Water Pressure:

i) One (1) duplex water booster pump will be provided for domestic cold water (see above at paragraph H.1.iii) and one (1) fire pump and jockey pump are provided.

5. Sanitary Sewage System:

i) A complete sanitary drainage system will convey all soil and waste from plumbing fixtures, drains and equipment. The sanitary system is designed for gravity flow through vented branches, stacks and building drains.

ii) Sanitary piping above ground shall be cast iron piping with no-hub fitting. Piping below grade is cast iron service weight pipe with Bell and Spigot fittings and neoprene gasket joints.

iii) The sanitary drainage flows to the city public sewer system at Ludlow and is discharged into a combined service. No ejector pump is utilized.

6. Permits Required:

Permits and approvals to be delivered on closing by the developer for:

- Plumbing,
- Water
- Gas.
- Sprinkler
- Standpipe

7. Storm Drainage System:

i) A complete storm water drainage system designed for gravity flow will convey storm water drainage from the building roof and, roof terraces, and will flow to the New York City public sewer system at Ludlow Street through a combined service

ii) There shall be at least one (1) drain for each roof or paved drainage area.

iii) The piping material above the floor will be cast iron with no-hub joints. Piping below the cellar slab will be cast iron.

iv) In the elevator pit a floor sump pump is provided, similar to "Oil-Minder" model SE 50, 74 GPM @ 37 FT, 1/2 HP, 208 Volts/1 phase

K. **Heating** - (information provided by Jack Green Associates, MEP Engineers)

1. Method

i) Commercial Cellar/Basement: "York" split system model TCHD60S43S3 (condensing unit)/ AHE60D3XH21 (air handling unit) with an 18 KW electric heater in the air handling section. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

ii) 1st floor: "Mitsubishi" heat pump split system PUMY-P60NHMU (condensing unit) with (3) air handling units - model PKFY-P12NHMU, PKFY-P15NHMU and PVFY-P30E00B. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

iii) 2nd to 5th floor: "Mitsubishi" heat pump split system PUMY-P60NHMU (condensing unit) with (2) air handling units model PEFY-P24NHMU and PEFY-P27NHMU. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

iv) 6th floor and Mezzanine: Outdoor unit "" model PUHY-HP96TJMU-A. Two indoor air handling units are serving the 6th floor, one model PFFY-P18NEMU-E, the other one model PVFY-P4800B. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

v) Mezzanine. Four air handling units are serving the Mezzanine: one model PFFY-P18NEMU-E, one model PMFY-P06NBMU-ER5 and two model PMFY-P12NBMU-ER5. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

vi) Building residential entrance is heated by a split heat pump system "Mitsubishi" with an outdoor condensing unit model PUZ-A18NHA4 and an indoor air handling unit model PEA-A18AA4. The heating/air conditioning system is designed in compliance with the standards set in NYS Energy Code.

2. Domestic Hot Water

i) Domestic water heating will be provided by two (2) gas fired heaters installed in the cellar (see above at paragraph H.1.IV).

a) The domestic hot water temperature to all fixtures will be approximately 120 degrees Fahrenheit and controlled by a mixing valve at the water heater. Domestic water heating will be provided by two (2) gas fired water heaters, similar to "A.O. Smith" model BTR-200, 100 Gallons, 199,000 Btu/hr gas input

3. Residential Space Heating

i) The heating system is a heat pump system with individual apartment thermostats and will be designed to maintain a temperature of 68 degrees Fahrenheit inside when the outside temperature is 15 degrees Fahrenheit under normal conditions.

ii) Forced air is supplied from air handling units. Condensers mounted outside on roofs and terraces will be provided. The heat pumps are operated from the individual unit's electricity.

iii) Heat pump units are provided with insulated refrigerant lines.

iv) Drain lines from the air handlers for condensation are piped to indirect waste.

4. Number of Boilers and Description

i) There are no boilers for heating.

5. Fuel: Not Applicable.

6. Oil Tank: Not Applicable.

L. **Gas Supply** - (information provided by Jack Green Associates, MEP Engineers)

1. Gas is supplied by Con Edison.

2. Meter:

i. A single meter will be provided for residential cooking.

ii. A single meter will be provided for water heater and make up air unit.

3. Piping: black iron Schedule 40 per code.

4 Gas Uses: Domestic Cooking in each apartment.

M. **Air Conditioning** - (information provided by Jack Green Associates, MEP Engineers)

1. Commercial Cellar/Basement: "York" split system model TCHD60S43S3 (condensing unit)/AHE60D3XH21 (air handling unit) with an 18KW electric heater in the air handling section. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

2. 1st floor: "Mitsubishi" heat pump split system PUMY-P60NHMU (condensing unit) with (3) air handling units - model PKFY-P12NHMU, PKFY-P15NHMU and PVFY-P30E00B. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

3. 2nd to 5th floor: "Mitsubishi" heat pump split system PUMY-P60NHMU (condensing unit) with (2) air handling units model PEFY-P24NHMU and PEFY-P27NHMU. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

4. 6th floor and Mezzanine: Outdoor unit "-Mitsubishi" model PUHY-HP96TJMU-A. Two indoor air handling units are serving the 6th floor, one model PFFY-P18NEMU-E and one model PVFY-P4800-B The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

5. Mezzanine: Four air handling units are serving the Mezzanine: one model PFFY-P18NEMU-E, one model PMFY-P06NBMU-ER5 and two model PMFY-P12NBMU-ER5. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

6. Building residential entrance is cooled by a split heat pump system "Mitsubishi" with an outdoor condensing unit model PUZ-A18NHA4 and an indoor air handling unit model PEA-A18AA4. The heating/air conditioning system is designed in compliance with the standards set in NYS Energy Code.

N. **Ventilation** - (information provided by Jack Green Associates, MEP Engineers)

1. Basement Corridor to be to be heated and ventilated through a 100% outside air fan/ductwork system. Fan to be similar to "Greenheck" model 100-A, 200 CFM @ 0.75" SP, 1/3 HP, 120 Volts/1 phase.

2. Garbage Chute Room to be exhausted through a dedicated fan/ductwork system. Fan to be similar to "Greenheck" model 140-B, 100 CFM @ 0.8" SP, 1/3 HP, 120 Volts/1 phase.

3. Elevator Machine Room to be exhausted through a dedicated fan/ductwork system. Fan to be similar to "Greenheck" model 100-A, 150 CFM @ 0.8 SP, 1/4 HP, 120 Volts/1 Phase.

4. Exhaust for hoods at kitchens to be achieved through a dedicated fan/ductwork central system. Fan to be variable speed/frequency drive similar to "Greenheck" VariGreen model G-123-VG,1400 CFM @ 0.75" SP,0.5 HP, 208120 Volts/1 Phase. Each hood to be equipped with its own exhaust fan (supplied with the hood).

5. Exhaust for toilets to be achieved through a dedicated fan/ductwork central system. Fan to be variable speed/frequency drive similar to "Greenheck" VariGreen model G-099-VG, 600 CFM @ 0.75" SP, 1/4 HP, 120 Volts/1 phase. Each individual bathroom to be locally exhausted into the central system through its own fan. Bathroom fan for the commercial space to be similar to "Greenheck" Model SP-A-200, 75 CFM @ 0.5" SP, 48 Watts, 120 Volts/1 phase. All residential individual toilet exhaust fans to be similar to "Greenheck" Model SP-A-250, 50 CFM @ 0.5" SP, 83 Watts, 120 Volts/1 Phase.

O. **Electrical Systems** - (information provided by Jack Green Associates, MEP Engineers)

1 Electrical service to the building will be provided by Con Edison at 120/208V, 3-phase, 4 wire to electric service switchboard and distribution panels throughout the building. The service is as follows:

a) House, commercial and Residential units will be provided with electrical service.

b) Typical apartment unit 2nd to 5th floors with meters: 200 Amp,120/208V, 1 phase, 3W, with panel. 6/7th floors apartment to be 200 A, 120/208 V, 3 phase, 4 wire, with panel.

c) House common space usage, such as elevators, -, light, heat and power and ventilation on PLP panel with separate meter.

d) Commercial space will be metered separately and provided with 200 A service rated at, 120/208 V, 3 phase, 4 wire, with panel.

2 Residential Units

a) The service to each residential unit from 2 to 5th floor will be single phase, 200 amp 3-wire, 120/208V 60Hz AC. Service for 6/7th Mezzanine floor apartments will be 3 phase, 200 Amp, 4 wire, 120/208 V, 60 Hz AC. Electric service will be supplied to each residential unit via tenants meter bank at Cellar level Electric Service Room.

b) The main service equipment shall be fusible switches as required by code.

c) All residential units shall be designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by the National Electrical Code, 2002 Edition, and NYC Amendments.

d) Switches lighting fixtures are provided in bathrooms, walk-in closets, foyers and kitchens. Fixtures are LED type in bathrooms and foyers, dining areas (where ceilings permit), and kitchens, there is a combination exhaust fan incandescent fixture in the Master bathroom .

e) Multiple 20 ampere, 120V circuit shall be provided to handle lighting and general purpose receptacles.

f) 20 ampere, 120V circuits shall be provided in the kitchen area for 120V kitchen appliances.

g) Receptacles shall be provided in all rooms (average four (4) per room) and with ground fault circuit interruption in all bathrooms and kitchens, as per code.

P. **Intercommunication System** - (information provided by Jack Green Associates, MEP Engineers)

1) The building shall be provided with an audio and video intercom system with one master unit and camera at the main building entrance facing Ludlow Street and one individual monitor/speaker/door lock release unit in each residential unit.

2) System by Comelit or equal

3) Building will have 'virtual doorman' provided by 'Netguistics, Inc and/or Empire Shield Security, Inc." This type of system will allow remote building access for deliveries via iPad's and iPhones.

4) Building Access will be via electronic key fobs (Proximity fobs) TV Reception Facilities and Telephone Services:

- Digital or analog satellite or cable television service will be available to each purchaser on an individual subscription basis at a separate charge provided by the local publicly regulated franchised provider. High speed Internet access will also be made available at a separate charge provided by the local publicly regulated franchised provider. Location of outlets: Living room and in each bedroom.

5) The building will be pre-wired for telephone services. A jack will be located in the living room and bedroom(s) each unit

Q **Public Area Lighting**

1 Lighting will be provided at the building exterior entrance (Modern Forms Suspense Model WS-W19 LED Outdoor Sconce Luminiare), and there will be low voltage LED lighting in the lobby and public corridors (WAC Lighting Recessed HR-3LED-T118 and WAC Lighting Recessed HR-3LED-H18D-ICA).

2 Lighting in mechanical spaces, storage rooms, and exit corridors will be Sylvania 4' Fluorescent Ceiling Fixtures

R **Garages and parking areas** - None

S **Swimming pools** - None

T **Tennis courts, playgrounds and recreation facilities** - None

U **Permits and certificates**

1 Conducted concurrently with construction with final sign-off at the issuance of the Certificate of Occupancy:

NYC Department of Buildings

I Elevator

II Mechanical and Plumbing

III Electrical

IV Fire Department

V **Violations**

1 There are four active Department of Buildings Violations at the date of this report. Any Building Code Violations issued by DOB or ECB will be corrected prior to the issuance of the Permanent Certificate of Occupancy.

2 No asbestos will be used in the construction of the building.

W **Unit Information**

1 The type and grade of finish materials will be the same for all units. Units will be painted white upon delivery. Wood flooring will be provided in living area. There will be tile floors in the kitchens and bathrooms. The ceilings will be painted gypsum board.

2 All bathrooms will be new and equipped with Kohler fixtures or equal.

3 All kitchens will have ovens, cooktops, sinks, microwave, refrigerator, dishwashers, cooking hood/kitchen vent. All units will have a laundry closet with a stacked self-venting (condensate) washer dryer.

X **Finish schedule of spaces other than units**

1 Residential Lobby

I The floor shall be finished with – honed marble. Walls shall be finished with painted gypsum, metal and wood trim. Entry doors to be anodized aluminum framing with tempered clear glass panels.

2 Interior of Residential Condominium Units

I Flooring to be 5/8" thick 9" wide pre-finished engineered wood flooring, with trim painted medium density fiberboard baseboard and decorative trim per plans. Walls to be 5/8" painted gypsum board. Ceilings to be 5/8" painted gypsum board.

II Lighting - RAB 6" 12W DLED LED down light

3a Kitchens (All appliances are as specified below, equal or better for Units 2-6)

I Refrigerator - Viking 36" Pro Series French Door Refrigerator, Stainless

II Dishwasher - BOSCH ASCENTA Dishwasher, Stainless

III Microwave - Dacor Millennia 1CU Microwave Oven, Stainless

IV Kitchen sink - Kohler Vault Large Single Basin Undermount Stainless Kitchen Sink

V Kitchen sink faucet - Artisan Kitchen Faucet AF-660-SN

VI Washer - BOSCH 24" Compact Washer Axxis

VII Dryer - BOSCH 24" Compact Condensation Dryer Axxis

VIII Kitchen Cabinets - Custom Cabinetry with all wood interior with finished Birch Veneer. Quartsawn Oak Exterior, custom color stain. Under-mount full extension drawer glides. Soft close doors and drawers. Dovetailed wood drawer boxes. Full overlay doors and drawers. Crown moldings and under cabinet moldings.

IX Floors - Wood

X Walls - Gypsum, stone, porcelain, ceramic tile

XI Countertop - Stone

XII Ceiling - Painted gypsum board

XIII Stove/Oven - RVGR3305BSS Viking 30" Gas Range with DA3480 Miele 30" Built in Retractable Hood

3b Kitchens (All appliances are as specified below, equal or better for Penthouse Unit)

I Refrigerator - Miele - 36" KF 1903 Vi Built-In Bottom-Mount Fridge/Freezer, Stainless

II Dishwasher - Miele - G 5975 SC Vi Diamond Series, Stainless

III Microwave Miele - 24" M 6160 TC ContourLine DirectSelect Microwave

IV Kitchen sink - CEA Design Undermount 1-Bowl Kitchen Sink Stainless Steel

V Kitchen sink faucet - CEA Design FRE 16 s

VI Washer - BOSCH 24" Compact Washer Axxis

VII Dryer - BOSCH 24" Compact Condensation Dryer Axxis

VIII Kitchen Cabinets - Custom Cabinetry with all wood interior with finished Birch Veneer. Quartsawn Oak Exterior, custom color stain. Under-mount full extension drawer glides. Soft close doors and drawers. Dovetailed wood drawer boxes. Full overlay doors and drawers. Crown moldings and under cabinet moldings.

IX Floors - Wood

X Walls - Gypsum, stone, porcelain, ceramic tile

XI Countertop - Stone

XII Ceiling - Painted gypsum board

XIV Stove/Oven - 36" 5-Burner KM 3474 G Gas Cooktop, 30" H 6280 BP PureLine Direct Select Convection Oven, 36" DA 3490 Built-In Wall Cabinet Hood

4a Bathroom(s) Units 3-6

I Bathtub - KOHLER Archer 5 ft. Right Drain Soaking Tub in White with KOHLER Clearflo Slotted Overflow Brass Bath Drain in Polished Chrome

II Steam Shower - SteamSpa S600

III Master Cabinet Lavatory - Ronbow 36" Juno

IV Guest Cabinet Lavatory - Fairmont 31" 1401-VH30 driftwood

V Faucet - Aqua Brass- Geo or equivalent

VI Toilet: - Kohler Round Front 1.6 gpf Toilet or equivalent

VII Floor: Stone, porcelain or ceramic tile

VIII Walls: Stone, porcelain or Ceramic tile and painted wallboard

4b Bathroom(s) Penthouse Unit

I Bathtub - KOHLER Archer 5 ft. Right Drain Soaking Tub in White with KOHLER Clearflo Slotted Overflow Brass Bath Drain in Polished Chrome

II Steam Shower - SteamSpa S600

III Cabinet Lavatory - Toscoquattro floating vanity

IV Faucet - CEA Design or equivalent

V Toilet: - Kohler Round Front 1.6 gpf Toilet or equivalent

VI Floor: Stone, porcelain or ceramic tile

VII Walls: Stone, porcelain or Ceramic tile and painted wallboard

Y **Safety and warning devices** - (information provided by Jack Green Associates, MEP Engineers)

1 Combination Carbon Monoxide/Photoelectric/ionization type smoke detectors, hard wired, 120 volt shall be provided within 15 feet of each bedroom as per NYC Building Code, and in all other areas as required by code.

2 Sprinkler monitoring fire alarm system per NYC Building Code

Z **Additional information**

1 Site plan not required as the building covers the entire lot.

2 An area plan is not required because the building is in a highly urban area.

3 See attached floor plans – Appendix Z3-A – Z3-D

4 Ceiling heights (approximate finished floor to finished ceiling) are as follows

I Cellar 8'-1 ½"

II Basement (Unit 1) 9'-11 ¼"

III 1st Floor (Unit 2) 8'-5 ¾"

IV 2nd – 5th Floors (Unit 3 - 6) 9'-3 ½"

V 6th Floor (Pent house)

a) East side 9'-3 ½"

b) West side 14'-6" (approximate average under skylight)

c) Below mezzanine 8'-0"

d) Mezzanine 8'-0"

5 Approximate unit floor areas are as follows

I	Unit 1 (Commercial)	1,651 SF
II	Unit 2 (Residential)	1,073 SF
III	Units 3-6 (Residential)	1,069 S.F.
III	Penthouse Unit (Residential)	1,269 SF

6 Approximate storage unit floor area are as follows

I	Unit 1 Storage (Commercial)	568 SF
II	Unit 2 Storage (Residential)	54 SF
III	Units 3-6 Storage (Residential)	54 S.F.
III	Penthouse Unit Storage (Residential)	49 SF

7 See item 3 above

AA Not Applicable

BB **Further development** - The Sponsor does not intend to add additional units to the building, either above the existing roof, outside the existing building development, or by altering space within the building. Further, there are no additional development rights for this property based on the current regulations of the NYC Zoning Resolution. Notwithstanding the foregoing statement, the building, as described in this report, was constructed by erecting five new stories above an existing two story commercial building. This report contains the details of that construction. The two story structure had sufficient capacity to support the additional load of the newly constructed additional stories.

1. No additional units are to be added.

2 As stated above, five new stories were erected above an existing two story commercial building as defined in this report.

I As stated above, the existing two story structure had sufficient capacity to support the additional load.

II Resulting building height is 79'-11".

3 Not applicable.

4 Not applicable.

5 Not applicable.

6 Not applicable.

CC Asbestos

1 There is no asbestos containing materials used in this project.

DD Lead-based paint

1 There are no products that contain lead-based paint being used in this project.

Signature of Architect

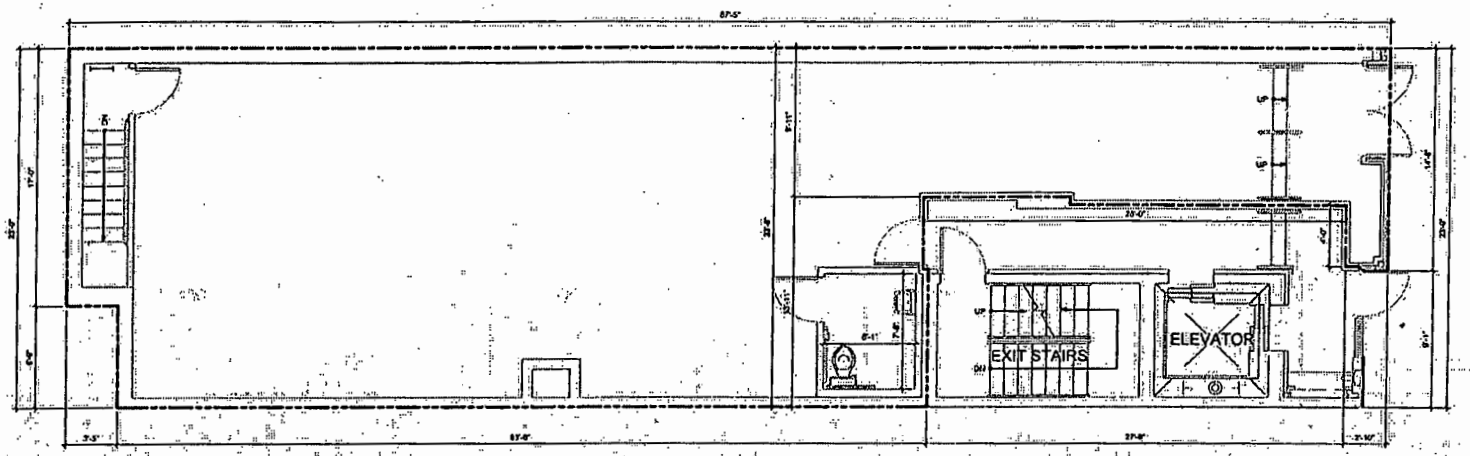
Kleinmann Architects, by:

Joseph J Kleinmann, AIA

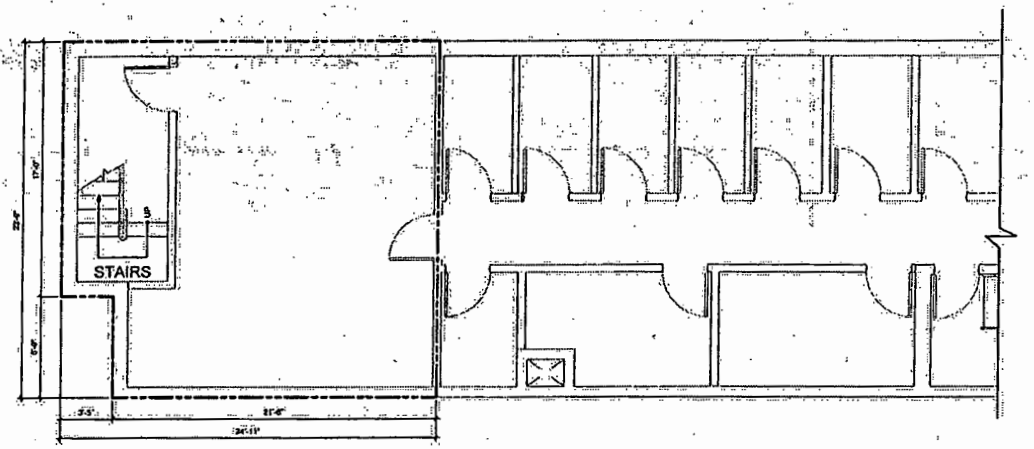
Dated: 11/24/2014

Notary

CHERYL A. RAY
Notary Public, State of New York
No. 01RA6237064
My Commission Expires 03-14-2015



01 BASEMENT PLAN / UNIT 1 (COMMERCIAL): 1,651 S.F.
1/8" = 1' - 0"



02 PARTIAL CELLAR PLAN - UNIT 1 (COMMERCIAL) STORAGE: 568 S.F.
1/8" = 1' - 0"

MEASUREMENT NOTE

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

UNIT 1 (COMMERCIAL)

UNIT 1 (COM.):	1,651 S.F.
UNIT 1 (COM.) STORAGE:	568 S.F.

02	11/03/2014 REV	SAW
01	09/08/2014 REV	SAW
DATE	REVISION	BY

JOSEPH J. KLEINMANN
ARCHITECT
74 BROAD STREET 4TH FL.
NEW YORK, NY 10007
212-877-8075
FAX 212-742-8500

ER HOLDINGS
179 LUDLOW STREET
NEW YORK, NY 10002
B: 412 L: 26

UNIT 1 (COMMERCIAL)

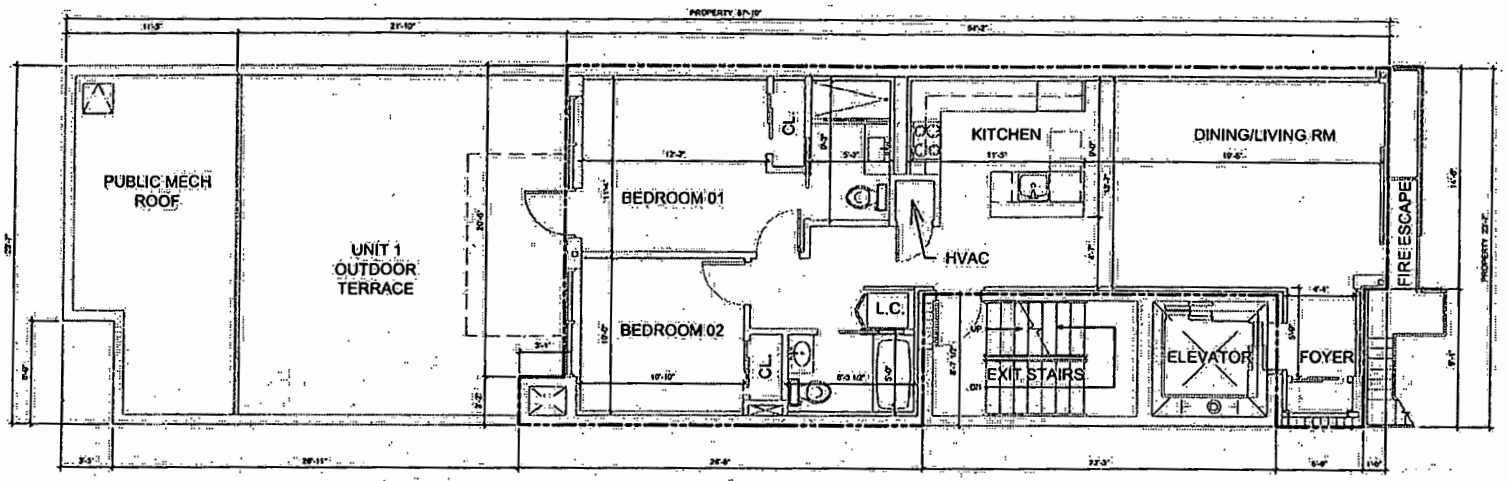
4/9/2014 JV

AS NOTED

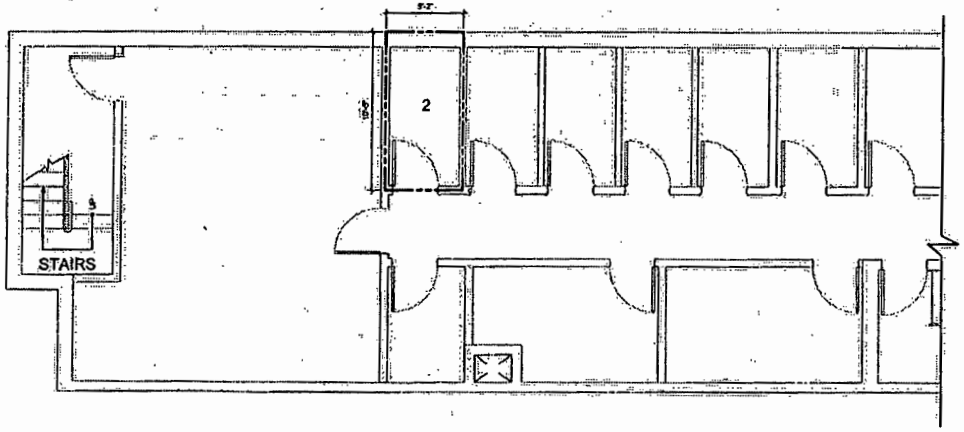
REGISTERED ARCHITECT
JOSEPH J. KLEINMANN
STATE OF NEW YORK

APPENDIX
Z3 - A

01 - 04



01 UNIT 2: 1,073 S.F.
1/8" = 1' - 0"



02 PARTIAL CELLAR PLAN - UNIT 2STORAGE: 54 S.F.
1/8" = 1' - 0"

MEASUREMENT NOTE:

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

RESIDENTIAL UNIT 2	
UNIT 2:	1,073 S.F.
UNIT 2 STORAGE:	54 S.F.

02	11/03/2014 REV	SAW
01	09/08/2014 REV	SAW
DATE	REVISION	BY

JOSEPH J. KLEINMANN
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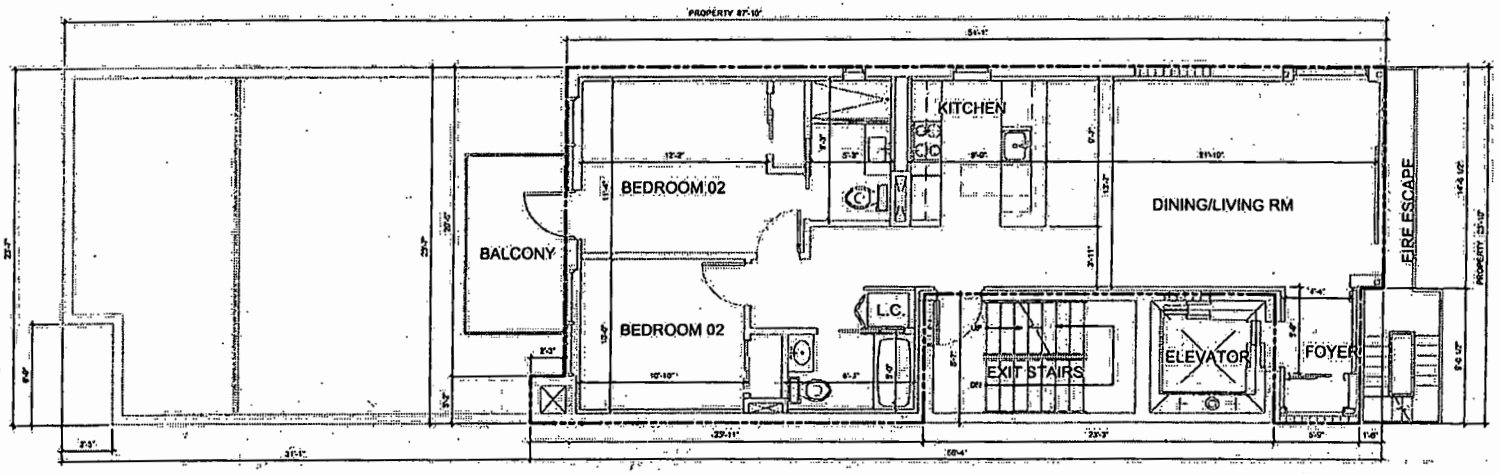
RESIDENTIAL UNIT 2

4/9/2014 JV

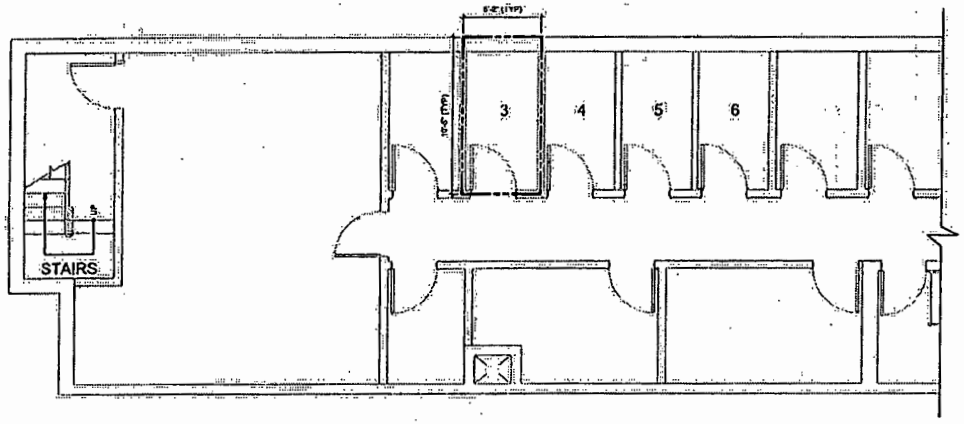
AS NOTED

REGISTERED ARCHITECT JOSEPH J. KLEINMANN 020454 STATE OF NEW YORK

APPENDIX Z3 - B



01 UNIT 3 - 6: 1,069 S.F. TYPICAL UNIT
1/8" = 1' - 0"



02 PARTIAL CELLAR PLAN - UNIT 3 - 6 STORAGE: 54 S.F. TYPICAL STORAGE UNIT
1/8" = 1' - 0"

MEASUREMENT NOTE

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

RESIDENTIAL UNITS 3 - 6 TYPICAL

UNITS 3-6 TYP.:	1,069 S.F.
UNITS 3-6 TYP. STORAGE:	54 S.F.

02	11/03/2014 REV	SAW
01	09/08/2014 REV	SAW
DATE	REVISION	BY

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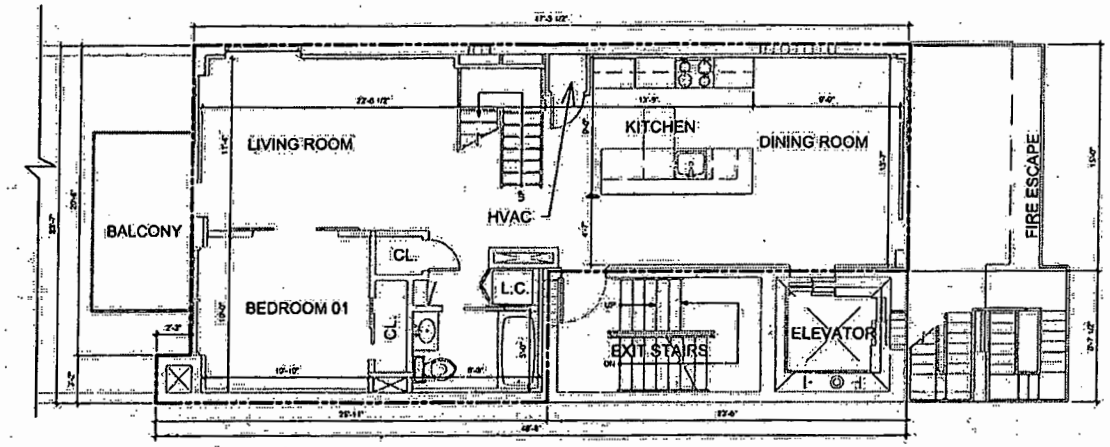
RESIDENTIAL UNIT 3 - 6

4/9/2014 JV

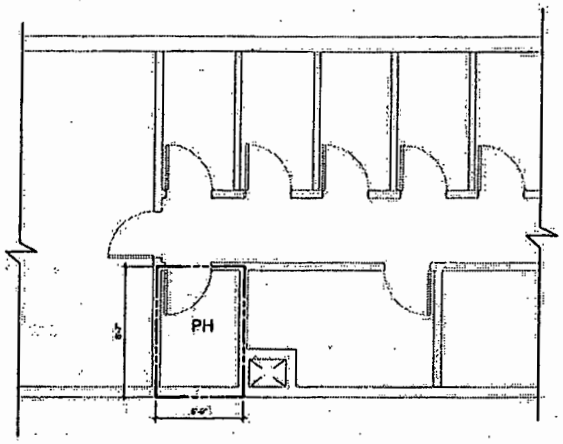
AS NOTED

REGISTERED ARCHITECT
JOSEPH J. KLEINMANN
STATE OF NEW YORK

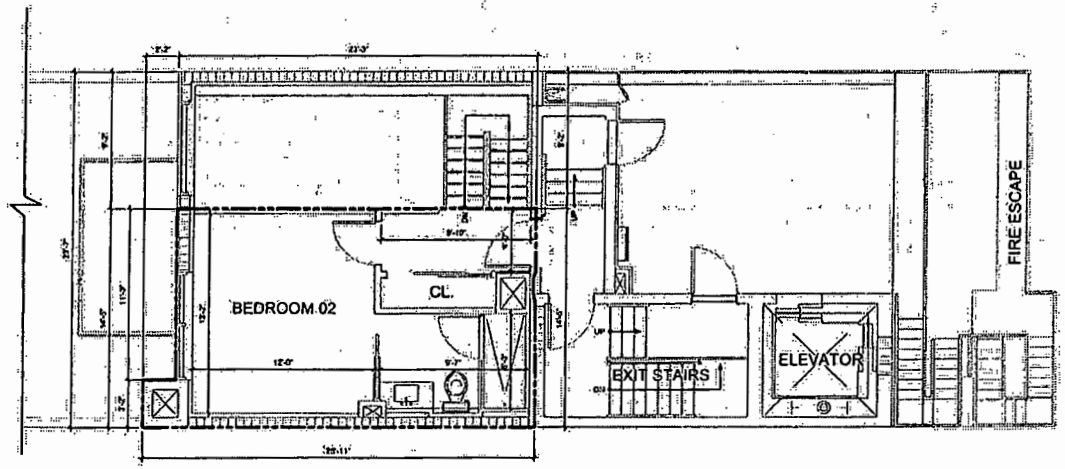
APPENDIX Z3 - C



01 PENTHOUSE UNIT: 921 S.F.
1/8" = 1'-0"



03 CELLAR PARTIAL PLAN - STORAGE - 49 S.F.
1/8" = 1'-0"



02 PENTHOUSE MEZZANINE UNIT: 348 S.F.
1/8" = 1'-0"

MEASUREMENT NOTE

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

RESIDENTIAL PENTHOUSE UNIT	
PENTHOUSE:	921 S.F.
PENTHOUSE MEZZANINE:	348 S.F.
PENTHOUSE UNIT TOTAL:	1,269 S.F.
STORAGE:	49 S.F.

02	11/03/2014 REV	SAW
01	09/08/2014 REV	SAW
DATE	REVISION	BY

JOSEPH J. KLEINMANN
ARCHITECT
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NEW YORK, NY 10007
212-877-8075
FAX 212-742-9500

ER HOLDINGS
179 LUDLOW STREET
NEW YORK, NY 10002
B: 412 L: 26

RESIDENTIAL PENTHOUSE UNIT

4/9/2014 JV

AS NOTED

REGISTERED ARCHITECT
JOSEPH J. KLEINMANN
NO. 020484
STATE OF NEW YORK

APPENDIX Z3 - D

04 - 04

CERTIFICATION OF SPONSOR'S ENGINEER OR ARCHITECT PURSUANT TO PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
New York, New York

Att: Real Estate Financing Bureau

Re: 179 Ludlow Street Condominium
179 Ludlow Street
New York, New York

Dear Sir/Madam:

The undersigned, an Architect registered in New York State, certifies as follows:

The sponsor of the offering to convert the captioned property to a condominium retained me/our firm to prepare a report describing the construction of the property (the "Report"). We visually inspected the property on 09/24/2014, and reviewed/prepared the Plans and Specifications dated 9/29/2014 and prepared the Report dated 11/24/2014, copies of which are intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a Registered Architect in the State of New York.

I/We understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I/we certify that the Report:

a. sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of the construction provided that construction is in accordance with the plans and specifications that I/we examined;

b. in my professional opinion, affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning

description and/or the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I/we examined;

c. does not omit any material fact;

d. does not contain any untrue statement of a material fact;

e. does not contain any fraud, deception, concealment or suppression;

f does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

g. does not contain any representation or statement which is false, where I/we (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; (d) did not have knowledge concerning the representations or statements made.

I/we further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/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.

Joseph Kleinman Architects, PC

By: _____
Joseph Kleinman

Sworn to before me this
24th day of November, 2014.

_____

KASHMAIN TANYA WILSON
Notary Public - State of New York
NO. 01WI6248107
Qualified in Bronx County
My Commission Expires 09/28/15

Seal

EXHIBIT 5

CERTIFICATION OF SPONSOR'S EXPERT PURSUANT TO PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
New York, New York 10271

Attention: Real Estate Financing Bureau

Re: 179 Ludlow Street Condominium

Dear Sir/Madam:

The sponsor of the captioned condominium retained me/our firm to review Schedule B and B-1 containing projections of income and expenses for the first year of operation as a condominium.

My/Our experience in this field includes the management of cooperatives, condominiums and rental properties for over 12 years, including:

- 2077 5th Avenue (New York County) – 13 unit condominium project
- 1415-1417 Wythe Place (Bronx County) – 60 unit apartment building
- 2828 Valentine Avenue (Bronx County) – 42 unit apartment building

I/We understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to Schedules B and B-1.

I/We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying them with due diligence in order to form a basis for this certification. I/We also have relied on my/our experience in managing similar residential operations.

I/We have certified that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income will be sufficient to meet the anticipated operating expenses for the projected first year of operations as a condominium operation.

I/We certify that the Schedule:

i. sets forth in detail the projected income and expenses for the first year of operation and is complete, current and accurate;

ii. affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of operation;

iii. does not omit any material fact;

iv. does not contain any untrue statement of a material fact;

v. does not contain any fraud, deception, concealment, or suppression;

vi. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

vii. does not contain any representation or statement which is false, where I/We (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

I/We further certify that I/We are not owned or controlled by the sponsor. I/We understand that a copy of this certification is intended to be incorporated into the offering plan. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

By: _____
HARLEY FRIEDMAN

Sworn to before me this
7th day of November, 2014

_____
Notary Public

JAMES XAVIER MCELWAIN
Notary Public, State of New York
No. 02MC6241839
Qualified in Westchester County
Commission Expires 05/23/2015

TABLE OF CONTENTS

PART I

	PAGE
SPECIAL RISKS	5
INTRODUCTION	8
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	12
LOCATION AND AREA INFORMATION	12
DEFINITIONS	15
SCHEDULE A, PURCHASE PRICE AND OTHER FINANCIAL DETAILS FOR EACH UNIT	17
FOOTNOTES TO SCHEDULE A	18
SCHEDULE B, BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION	21
FOOTNOTES TO SCHEDULE B	22
SCHEDULE B-1, PROJECTED ENERGY COSTS FOR UNITS FOR FIRST YEAR OF CONDOMINIUM OPERATION	27
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)	28
COMMERCIAL UNITS	29
CHANGES IN PRICES AND UNITS	29
INTERIM LEASES	30
PROCEDURE TO PURCHASE	31
ASSIGNMENT OF PURCHASE AGREEMENT	36
EFFECTIVE DATE	36
TERMS OF SALE	38

UNIT CLOSING COSTS AND ADJUSTMENTS	41
RIGHTS AND OBLIGATIONS OF SPONSOR	43
CONTROL BY SPONSOR	48
BOARD OF MANAGERS	49
RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS	56
REAL ESTATE TAXES	66
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM	68
COUNSEL'S INCOME TAX OPINION	69
WORKING CAPITAL FUND, CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD, AND RESERVE FUND	73
MANAGEMENT AGREEMENT AND CONTRACTS	74
IDENTITY OF PARTIES	75
REPORTS TO UNIT OWNERS	76
DOCUMENTS ON FILE	76
GENERAL	76
SPONSORS STATEMENT OF BUILDING CONDITION	78

PART II

DOCUMENT NUMBER 1
- Purchase Agreement
- Limited Warranty
- Warranty Statute

DOCUMENT NUMBER 2
- Declaration of 179 Ludlow Street Condominium

DOCUMENT NUMBER 3
- By-Laws of 179 Ludlow Street Condominium

DOCUMENT NUMBER 4
- Architect's Report
- Electric and Gas Usage Estimates for Units

DOCUMENT NUMBER 5
- Form of Condominium Unit Deed

DOCUMENT NUMBER 6
- Form of Unit Owner's Power of Attorney

DOCUMENT NUMBER 7
- Form of Escrow Agreement

DOCUMENT NUMBER 8
- Certifications
  - Sponsor and Principals
  - Sponsor's Engineer
  - Sponsor's Expert Concerning Adequacy of Budget
  - Sponsor's Expert Concerning Adequacy of Commercial Unit Common Charge

SPECIAL RISKS

1. Failure of a Purchaser to cure a default within 30 days after written notice will result in the cancellation of the Purchase Agreement and the forfeiture of Purchaser's down payment. See Procedure to Purchase, page 31.

2. An owner's right to sell or lease his or her unit is subject to the Board of Managers' right of first refusal. See Board of Managers, page 49.

3. Purchasers are responsible for the payment of New York City Real Property Transfer Tax of 1.140% of consideration for units selling for less than $500,000 and 1.445% of consideration for units selling for $500,000 or more. New York State Documentary Stamps of .4016% of consideration. The Purchase Agreement imposes this charge on the Purchaser. In accordance with New York State law, this is normally a Seller's expense unless transferred to Purchaser under the Purchase Agreement. While the transfer tax is normally 1% or 1.425% to the City of New York and .4% to the State of New York, the tax is considered additional consideration when paid by the Purchasers. The percentages set forth in this paragraph reflect the additional consideration. See Terms of Sale, page 38.

4. No bond or other security has been posted for Sponsor's obligations under the Plan. See Obligations of Sponsor, page 43.

5. No funds have been budgeted for legal fees. Should the Board of Managers wish to consult with an attorney it will necessitate an increase in common charges or a special assessment. See Footnotes to Schedule B, page 22.

6. Sponsor will control the Board of Managers so long as it owns at least three units or until the fifth anniversary of the first closing. Within thirty (30) days after the sale of four (4) units or the fifth anniversary of the first closing, which ever is sooner, Sponsor will hold a meeting of unit owners to elect a new Board of Managers comprised of a majority of members unrelated to the Sponsor. There is no requirement that board members be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, for example, the purchase of a home as opposed to an investment. See Control By Sponsor, page 48.

7. Until the fifth anniversary of the closing of the first unit or until the Sponsor owns less than 25% of the units, whichever occurs first, the Unit Owners cannot vote capital improvements or extraordinary expenditures without the Sponsor's consent. Sponsor may not, however, veto any expense set forth in Schedule B or over expenses required to (i) comply with applicable laws or regulations; (ii) remedy any notice of violation; or (iii) remedy any work order by an insurer. See "Control By The Sponsor", Article 2 of the By-Laws, and "Rights and Obligation of Managers and Summary of Declaration and By-Laws" pages 49 and 56.

8. The obligation to purchase is contingent upon purchasers obtaining financing. Purchaser has 45 days to notify Sponsor of his inability to obtain financing. Purchaser assumes the risk that the terms of the commitment may change prior to the actual closing. Purchaser is obligated to close notwithstanding said changes. If Purchaser's commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment and is unable to do so, such purchaser will have a right to rescind the Purchase Agreement by sending Sponsor notice within 20 days of Purchaser being notified by their lender of their inability to extend their commitment. See Procedure to Purchase, page 31.

9. Sponsor is reserving the right to rent units rather than sell them. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more than the one unit necessary close title to that unit under the Plan and owner-occupants may never gain effective control and management of the condominium.

10. Pursuant to existing law and regulation, the sponsor may declare the plan effective by selling a minimum of fifteen percent of the units in the building. Even if the plan is declared effective with a minimum number of sales, it is possible that the sponsor may be able to create a condominium with fewer than the minimum number of sales, if purchasers counted towards effectiveness do not ultimately purchase a unit.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of the units in a building be sold before the lender will consider making a loan. Thus it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the Sponsor or Holder of Unsold Units has not sold a substantial percentage of the Units in the building, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building 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 a Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

11. Dimensions indicated in Schedule A are approximate and are measured from to the outside face of masonry work at the exterior walls of the building, approximately to the unit side walls and partitions dividing the units from corridors, stairs and mechanical spaces. This does not accurately represent the interior space in the unit, which when measured, may be significantly less. A copy of the floor plans can be found in Part II of the Plan.

12. All funds received by the Sponsor for upgrades or extras must initially be placed in the 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. However, if the Plan is abandoned, the funds used for upgrades and extras will be returned to Purchaser.

13. Windows are warranted against defects in material and workmanship, under normal

use and service, for a period of one year from the date of fabrication. See the Architect's Report in Part II of the Plan.

14. Each Unit Owner shall notify the Condominium Board or the Managing Agent, if any, 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 Owners expense, the required window guards, (or safety "stops" in lieu of window guards, designed specifically to prevent a child from falling out the window) in all windows of the Unit in compliance with all applicable New York City Administrative Code requirements. The Unit Owner shall maintain all window guards or stops installed in the Unit and shall not remove same until permitted by applicable law and in no event without prior written notice to the Condominium Board or Managing Agent, if any. The Condominium Board or Managing Agent may choose to have the window guards or stops installed at the Unit Owners expense.

15. The commercial unit owner is not subject to a right of first refusal on the rental of the commercial unit. Since the commercial unit may be used for any legal use under the zoning and building codes, there is no guaranty that some unit owners might find some potential uses objectionable.

16. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

17. If a purchaser does not pay the balance of the Purchase price on time, the Sponsor shall make a written demand therefor. Thirty (30) days thereafter, if the balance due has not been paid the Purchase Agreement shall terminate and the down payment, but in no event more than ten (10%) percent of the purchase price and the actual cost incurred for special work ordered by the purchaser, shall be paid over to the Sponsor, as liquidated damages, and the Purchase Agreement will be canceled. In the event of such cancellation, the Sponsor shall have the right to sell the unit to another purchaser. Time is of the essence to cure a default under this section. Time of the essence means that upon the expiration of this thirty day period, if Purchaser has failed to cure his or her default, the Contract will automatically terminate and Purchaser's down payment, plus any other sums as set forth above, shall be paid over to Sponsor as liquidated damages.

18. The Purchaser will represent to Sponsor that he or she has not dealt with any broker other than the Selling Agent and any other broker named in the Purchase Agreement in connection with the acquisition of his or her Unit and will indemnify Sponsor against the claims of any other broker not so listed.

INTRODUCTION

The purpose of the offering plan is to set forth all the material terms of the offer. The plan may be amended from time to time when an amendment is filed with the New York State Department of Law. Each amendment will be distributed to all offerees entitled thereto pursuant to the provisions of Article 23-A of the General Business Law and 13 N.Y.C.R.R. Section 20.1(d).

The condominium is subject to the New York Condominium Act, which is formally known as New York State Real Property Law Article 9-B.

Pursuant to this offering plan, 179 Ludlow Holding LLC, the fee owner, (the "Sponsor"), will offer six (6) residential units and one (1) commercial unit presently being constructed, to qualified purchasers who agree to assume the obligations set forth in this Plan. Sponsor acquired title to the premises on May 16, 2011.

Sponsor will endeavor in good faith to market and sell all of the units in the Condominium, however, Sponsor is retaining the unconditional right to rent, rather than sell, condominium units. Because Sponsor is retaining the unconditional right to rent, rather than sell, units, this Plan may result in the creation of a condominium in which a majority of the units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more than the one unit needed to close title under the plan and owner-occupants may never gain effective control and management of the Condominium. In the event sponsor makes a bulk sale of all or some of its unsold units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell units. Sponsor has no construction financing and does not need construction financing to complete the building.

The prices herein were approved by the Sponsor and are not subject to approval by the Department of Law or any other government agency.

Features of Condominium Ownership

Ownership of a Unit is similar in many respects to ownership of a private home. The owner of each Unit (a "Unit Owner") will own fee title to his or her Unit and will be entitled to the exclusive possession thereof. In addition, each Unit Owner will own, in common with every other Unit Owner, an undivided percentage interest in and the right to use the common areas of the building (the "Common Elements") and an exclusive right to use any Limited Common Element that pertains to an individual unit. The Common Elements will include, without limitation, the Land and the roofs, exterior walls, foundations and supports of the Building. Common areas include the utility rooms in the cellar, storage room in the cellar, laundry rooms and refuse rooms throughout the building, refuse chutes, hallways, entrance way, lobby, elevator and elevator shaft, stairways, bulkheads, court yard and sidewalks. Use and allocation of space in the storage room will be done by the Board of Managers. The utility rooms contain electric, gas and water meters

and the trash compacter. There is no onsite parking. Some units have terraces or roof terraces, which will be limited common areas.

Each Unit Owner is obligated to comply with the Declaration of Condominium, the Bylaws, Rules and Regulations and any other requirements of the Board of Managers. In addition, each Unit Owner may freely mortgage his or her Unit or not, as he or she sees fit, with such lender and in such amount as he or she chooses, subject only to compliance with a certain filing requirement contained in the Condominium's By-Laws. (See "RIGHTS AND OBLIGATIONS OF UNIT OWNERS" for further discussion.) Each Unit is separate and is not subject to the lien of any mortgages placed by his or her neighbors on their Units.

Each Unit Owner will pay common charges on his or her unit in accordance with the New York State Condominium Act, Real Property Law Sections 339(i) and 339(m).

Each Unit will be taxed as a separate tax lot for real estate tax and assessment purposes, and each Unit Owner will be solely responsible for the payment of all real estate taxes and assessments levied against his or her Unit. An estimate of the real estate taxes and assessments that will be payable for each of the Units during the first year of condominium operation of the Property is listed in the Purchase Price Schedule. No Unit Owner will be liable for the payment of, and no Unit will be subject to any lien arising out of the non-payment of, real estate taxes or assessments levied against any other Unit.

In the opinion of Sponsor's counsel, each Unit Owner may, under present income tax laws, deduct from his or her income, for the purposes of federal, New York State and New York City income taxes, any mortgage interest and real estate taxes paid on his or her Unit, substantially like a homeowner.

Any Unit owner can sell or lease his or her Unit to anyone, without restriction or limitation, subject only to the right of first refusal in favor of the Board of Managers of the Condominium (the "Condominium Board") or a third party produced by the Condominium Board to acquire or lease such Unit upon the same terms that were offered to the prospective buyer or tenant. (See "RIGHTS AND OBLIGATIONS OF UNIT OWNERS -- Sales and Leases of Units" for further discussion).

Each Unit Owner may decorate the interior of his or her Unit in any manner that he or she desires, subject to compliance with the Condominium's By-Laws and the Rules and Regulations promulgated pursuant thereto, and will be solely responsible for the cost and expense of maintaining, repairing and painting his or her Unit. (See "RIGHTS AND OBLIGATIONS OF UNIT OWNERS -- Repairs to, and Maintenance of, Units and Common Elements" for further discussion.)

Pursuant to the Declaration, the Condominium is managed by a Board of Managers. Each Unit Owner may designate one member of the Board of Managers.

Unit owners are responsible for the maintenance and repair of the interior of their units as opposed to the obligation of the Board of Managers which is to maintain the common areas of the condominium. The Board of Managers is obligated to maintain casualty and liability insurance on the common areas of the condominium. Each unit owner may wish to maintain casualty and liability insurance on the interior of their unit, which is not covered under the condominium master policy.

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

There is no limitation on who may purchase a unit except that a purchaser must be over the age of 18.

The Condominium Board will, from time to time, assess all Unit Owners in proportion to their respective percentage interests in the Common Elements, charges (the "Common Charges") for, among other things, the cost and expense of operating, maintaining and repairing the Common Elements (the "Common Expenses"). Each unit owner will be solely responsible for the payment of all common charges assessed against him or her. (See "RIGHTS AND OBLIGATIONS OF UNIT OWNERS -- Common Charges: Assessment, Collection and Lien for Non-Payment" for further discussion.)

The undivided percentage interest in the Common Elements of each Unit (the "Common Interest" of such Unit) shall be in the approximate proportion that the floor area of the Unit bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements, pursuant to the terms of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"). The aggregate Common Interest of all Units equals 100%. Each Unit's Common Interest and an estimate of the Common Charges that will be payable by one owner of each Unit during the first year of condominium operation of the Property are listed in the Purchase Price Schedule.

All equipment and fixtures described in the Plan are included in the offering price.

The Plan delivered to prospective purchasers contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Office of the Attorney General in connection with the filing of the Plan will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the site whenever the on site sales office is open and at the office of the Sponsor.

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 STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AGREEMENT.

PROPERTY DESCRIPTION, LOCATION AND AREA INFORMATION

Property Description:

The property will be built as a single six story building. The building will be constructed of concrete slab floors with poured concrete beams and columns with formed openings in the floors where required by design, steel beams and heavy gauge steel studs and joists. Exterior walls will be faced with stucco, brick or pre-cast stone finish. The building was substantially completed in 2013. Windows will be aluminum casement and fixed double pane. Sponsor anticipates completion of the building on or about July, 2014. Sponsor will obtain a new certificate of occupancy at that time. Sponsor is offering six (6) newly constructed residential units and one newly constructed commercial unit. There is no onsite parking. There are no recreation facilities in the building. All appliances, plumbing fixtures, kitchen cabinets and partition walls are included in the offering price.

All construction will be completed in accordance with the New York State and New York City Building Codes. Zoning for the site is C6-2A which permits residential use and commercial use, including multi-family. See the Architect's Report of Joseph Kleinmann, R.A. contained in Part II of the Plan for a description of the units.

Location:

The property is located on the Lower East Side neighborhood of Manhattan in the City of New York. The site is surrounded by five and six story residential buildings, some with first floor commercial and/or retail establishments. The condominium is on Ludlow Street, between Houston Street and Stanton Street. The Lower East Side is bordered on the south and west by Chinatown, in the west by Nolita and in the north by the East Village. The Lower East Side is one of the oldest neighborhoods in New York and was populated by succeeding waves of immigrants populations. The neighborhood now has numerous contemporary art galleries, restaurants and night clubs.

No adjacent or nearby buildings are used for or have a proposed use that a reasonable purchaser would find intolerable.

Recreation:

Local parks and recreation centers include East River Park, 748 East River Drive, New York, New York and Columbus Park, 67 Mulberry Street, New York, New York. The Lower East Side is home to many private parks, such as La Plaza Cultural. There is also a New York City Recreation Center at 80 Catherine Street, New York, New York.

Transportation:

The following buses and trains service the area:

Trains:

J, M, Z and F trains stopping at the Delancey-Essex Street Station

Buses:

M-9 - North and South on Essex Street
M-14A - North and South on Essex Street
B39 - West and East on Delancey Street

Schools and Religious Facilities:

The public schools which serve the community are:

Elementary Schools:

Earth School	600 East 6th Street
Girls Preparatory Charter School of New York	442 East Houston Street
P.S. 142 Amalia Castro	100 Attorney Street
P.S. 140 Nathan Straus	123 Ridge Street

Middle Schools:

Collaborative Academy of Science Technology & Language Arts Education	220 Henry Street
Girls Preparatory Charter School of New York	442 East Houston Street
P.S. 140 Nathan Straus	123 Ridge Street

High Schools:

Bard High School Early College (M696)	525 East Houston Street
Cascades High School (M650)	198 Forsyth Street
Emma Lazarus High School (M394)	100 Hester Street
Essex Street Academy (M294)	350 Grand Street

There are also numerous parochial schools and private schools in the area.

There are houses of worship for all major denominations in the area.

The above listings are not exhaustive. No representation is made that children of Unit Owners will be entitled to attend any particular school.

Medical Centers:

The following hospitals service the area:

Gouveneur Healthcare Services located at 227 Madison Street
Mew York Eye and Ear Infirmary located at 310 East 14th Street

Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance

All of the above services are provided by the City of New York.

New York City Police Department:
The 7th Precinct is located at 19 ½ Pitt Street

New York City Fire Department:
Battalion 4 Engine 15 Ladder 18 located at 25 Pitt Street

A branch of the New York City Public Library, the Seward Park Branch, is located at 192 East Broadway.

Postal:

The zip code for the property is 10002.

Zoning:

Zoning for the site isC6-2A which allows residential use, including multi-family.

The Sponsor does not own or have an option or contract to purchase any adjoining property.

DEFINITIONS

For the convenience of presentation, the general definition of certain terms used in the offering plan are set forth below:

BUILDING: The structure erected at 179 Ludlow Street, containing the units and the common elements of the Condominium hereinafter described.

BY-LAWS: The document governing the operation of the Condominium, pursuant to which the Board of Managers is elected and governs, including provisions for calling meetings of unit owners, election of officers, assessments and restrictions.

COMMON CHARGES: Assessments payable to the condominium by the unit owner for the purpose of meeting common expenses, nor normally on a monthly basis.

COMMON ELEMENTS: The land, all parts of the building other than the units, including the foundations, roofs and supports of the buildings and all areas or facilities for the common use of certain or all unit owners.

COMMON EXPENSES: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the common elements.

COMMON INTEREST: The proportionate interest of each unit owner in the common elements, expressed as a percentage determined in accordance with the declaration. The total percentage of Common interests of all unit owners equals 100%.

The common interests are the basis of determining, among other things, a unit owner's voting power, liability for a share of common expenses and shares of any distributions upon termination of the condominium.

CONDOMINIUM: 179 Ludlow Street Condominium, to be established pursuant to Real Property Law Article 9-B.

DECLARATION: The instrument, as amended from time to time, by which the property is submitted to the provisions of the New York Condominium Act. The form of the declaration is set forth in Part II of this plan.

FLOOR PLANS: Floor plans of the building to be filed with the New York County Clerk's Office simultaneously with the recording of the declaration.

LAND: The land referred to above and more particularly described in the Declaration.

LIMITED COMMON ELEMENT: Those portions of the common elements which are for the exclusive use of one or more units but less than all of the units.

PROPERTY: The land, the buildings and the appurtenances thereto of the condominium.

PURCHASER: A purchaser of a unit under a Purchase Agreement.

UNIT, UNITS: Any space designated and defined as a unit in the declaration, consisting generally of either a specific unit or unit located in the building. All of such units are collectively referred to as the "Units".

UNIT OWNER: An owner of a condominium unit.

UNSOLD UNITS: Any units owned by Sponsor unless used for personal residence by Sponsor.

SCHEDULE A
PURCHASE PRICE AND OTHER FINANCIAL DETAILS FOR EACH UNIT
COMMON CHARGES REFLECT FIRST YEAR OF OPERATION COMMENCING OCTOBER 1, 2014

UNIT NO	BEDROOMS/ BATHS(FLOOR)	(1) # OF GROSS SQUARE FEET	(3) OFFERING PRICES	(2) PERCENTAGE OF COMMON INTEREST	(4) PROJECTED MONTHLY COMMON CHARGES	(5) PROJECTED MONTHLY/ ANNUAL REAL ESTATE TAXES	PROJECTED MONTHLY CARRYING CHARGES
C	Commercial (Ground and Basement)	2346	$ 3,500,000	20.00	$ 648.22	1,980/23,764	$2,628.22
1	1/1(First)	1106	1,350,000	13.00	977.99	1,097/13,166	2,074.99
2	1/1(Second)	1106	1,550,000	13.00	977.99	1,097/13,166	2,074.99
3	1/1(Third)	1106	1,575,000	13.00	977.99	1,097/13,166	2,074.99
4	1/1(Fourth)	1106	1,625,000	13.00	977.99	1,097/13,166	2,074.99
5	2/2(Fifth)	1106	1,650,000	13.00	977.99	1,097/13,166	2,074.99
6	2/2(Sixth and Mezzanine)	1300	2,250,000	15.00	1,128.45	1,266/15,192	2,394.45
		9176	13,500,000	100.00	6,666.62	8,731/104,786	15,397.62

Unit C is comprised of 1,647 sf on the Ground Floor and 699 sf in the Basement; Unit 1 includes Terrace of 189 square feet; Unit 2 includes a Terrace of 259 square feet; Units 3, 4 and 5 includes Terraces of 88 square feet; and Unit 6 includes a Roof Terrace 485 square feet. All residential units include a Cellar Storage space of 51 square feet.

FOOTNOTES TO SCHEDULE A

(1) Any floor plan or sketch shown to a prospective purchaser is only an approximation of the dimensions and layout of a Unit. Accordingly, each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. Dimensions indicated are approximate and are measured from the outside face of masonry work at the exterior walls of the building, approximately to the unit side walls and partitions dividing the units from corridors, stairs and mechanical spaces. This does not accurately represent the usable interior space in the unit, which when measured, may be significantly less. A copy of the floor plans can be found in Part II of the Plan.

(2) The percentage interest of each Unit in the Common Elements shall be the approximate proportion that the floor area of the Unit bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements, pursuant to the terms of the Condominium Act (Real Property Law Section 339-i(1)(iv)).

(3) Units are offered at the prices set forth in Schedule A, however, prices are negotiable. The Plan will be amended to reflect (i) a general price change affecting a group, line or other category of Units (as opposed to an isolated price change), (ii) a higher price change to be advertised in a newspaper or other media, or (iii) a higher price to an individual purchaser. (See "CHANGES IN PRICES AND UNITS" at page 31 of the Plan).

In addition to the Purchase Price, Purchasers must pay closing costs as described on page 47 of the Plan. Purchasers are responsible for the payment of New York City Real Property Transfer Tax of 1.140% of consideration for units selling for less than $500,000 and 1.445% of consideration for units selling for $500,000 or more. New York State Documentary Stamps of .4016% of consideration. The Purchase Agreement imposes this charge on the Purchaser. In accordance with New York State law, this is normally a Seller's expense unless transferred to Purchaser under the Purchase Agreement. While the transfer tax is normally 1% or 1.425% to the City of New York and .4% to the State of New York, the tax is considered additional consideration when paid by the Purchasers. The percentages set forth in this paragraph reflect the additional consideration

The State of New York also imposes a "Mansion Tax" of 1% of the sales price on all single family homes, residential condominiums or residential cooperative units that sell for $1,000,000.00 or more.

(4) These estimates were based upon the "BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION", which was reviewed by Sponsor and based upon the assumption that the first year of condominium operation will commence October 1, 2014. The actual first year of operation may be earlier or later than that year. In addition to these estimated charges, each Unit Owner will be responsible for paying: (i) mortgage payments under any loan or loans obtained to finance the acquisition of a Unit; (ii) the cost of gas and electricity supplied to the Unit, which will be

separately metered and will be payable directly to the utility company as and when billed (see Schedule B-1 on Page 27); (iii) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit (including, without limitation, the equipment and appliances contained therein); (iv) the cost of any insurance that he or she may desire to obtain covering (a) furniture, belongings, equipment and other personal property and (b) his or her liability to others for personal injury or property damage as a result of occurrences in the Unit; and (v) the cost of repairs to plumbing and electrical risers from the basement of the premises to the unit.

(5) Taxes have been estimated by the Metropolitan Realty Exemptions, Inc., with offices at 118 Middleton Street, Brooklyn, New York 11206, in a letter dated August 1, 2013 and takes into consideration that the property will not qualify for tax abatement under any program. The estimate relies on an estimated value for the property after construction and a residential tax rate of 13.181 per $100.00 of valuation and $9.870 for commercial properties. See the opinion letter of Metropolitan Realty Exemptions, Inc. reproduced in Part II of the Plan.

The assessed valuation and taxes for the units after construction is based on an assessed valuation for the residential portion of the building of $614,700 and $361,049 for the commercial unit. This gross residential assessment was then divided by the percentage of common elements of each of the residential units.

Unit	Post Construction Assessed Valuation	Annual Tax
C	$361,049	$23,764
1	$99,888	$13,166
2	$99,888	$13,166
3	$99,888	$13,166
4	$99,888	$13,166
5	$99,888	$13,166
6	$115,444	$15,192

Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

After the condominium is divided into individual tax lots, 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, nor will the unit be subject to, any lien arising from the non-payment of taxes on other units.

Only the real estate taxes in Schedule A will be deductible for income tax purposes. A unit owners actual income tax deductions may include the interest payable on a mortgage on the unit. As such, deductions may vary in future years due to changes in the interest rate on the unit owners's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax

benefits, if any, or from changes in the assessed value, the tax rate or the method of assessing real property.

In the opinion of Marshall S. Schiff, counsel to Sponsor, the real estate taxes paid with respect to a Unit will be deductible from the owner's income, for the purpose of Federal, New York State and New York City income taxes, under existing laws. Purchasers may also be eligible to deduct the interest on any mortgage secured by their unit.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

(Estimated to Commence October 1, 2014

Projected Income:

Annual Common Charges (1)	$	83,000

Projected Expenses:

Labor (2)	$	14,912*
Repairs and Maintenance (3)		4,000
Heat and Hot Water (4)		7,000*
Utilities (Electric) (5)		13,145*
Insurance (6)		7,500
Water Charges and Sewer Rents (7)		5,685*
Service Contracts (8)		9,720*
Management Fees (9)		7,500
Audit Fees (10)		5,500
Contingency (11)		2,500
Reserves For Capital Replacements (12)		4,000
Other Expenses (14)		1,538
Total	$	83,000

*Each Unit Owner will pay common charges on his or her unit in accordance with the New York State Condominium Act, Real Property Law Sections 339(i) and 339(m). Common Charges for Unit C will be based on special or exclusive use or availability or exclusive control of such Unit and usage of such Unit of Common Elements, as authorized by Section 339(m) of the New York Real Property Law (so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law). Because C is a commercial unit, has its own entrance to the sidewalk, it does not share the use of the elevator, lobby, security systems, corridors, the services of the superintendent and has its own water meter, the Unit will not share in the maintenance, repair or replacement of these improvements or services. Those items with an * will not be charged to the owner of Unit C except for Service Contracts which will be charged except for elevator maintenance. Otherwise, Common Expenses will be allocated among the Units in accordance with their Common Interest.

FOOTNOTES TO SCHEDULE B

(1) Common Charges-

Amounts are projected on the assumption that the first year of condominium operation will be the year from October 1, 2014 to September 30, 2015.

(2) Labor - Payroll and Related Costs- Anticipates one (1) part time non-union superintendent at $200.00 per week. The super will devote approximately 16 hours per week to the condominium. The super's compensation is based on $12.50 per hour. In addition, the condominium will also pay the following costs associated with the superintendent:

Bonus and Vacation	$ 500
Workers Comp and Disability	1,620
Unemployment & Payroll Tax	2,392

This is in compliance with all applicable local housing and labor laws. Janitorial service will be available through the Managing Agent on a 24 hour a day, seven day a week needs basis in compliance with the Administrative Code of the City of New York. If this service is needed for work to a unit, the unit owner will be charged for such service.

(3) Repairs and Maintenance -

Repairs and Maintenance exclusive of service agreements and inclusive of supplies have been estimated at $ 4,000 as follows:

Interior Repairs	$ -0-
Exterior Repairs including Snow removal	500
Roofing	-0-
Hot Water System	500
Electrical	500
Roofing & Waterproofing	-0-
Plumbing	500
Supplies	1,000
Painting	1,000
Total Repairs, Maintenance & Supplies	$4,000

Unit owners will be responsible for the cost of the interior repairs and decoration and painting within their respective apartments and the repair and maintenance of the appliances therein.

(4) Heat and Hot Water-

The estimate for central domestic hot water using gas is provided by Jack Green Associates, Consulting Engineers, 242 West 36th Street, New York, NY 10018 in a letter dated July 30, 2013. It is estimated the building will use 5,000 therms at an average cost of $1.40 per them. There is no common area heating. Cooking gas will be separately metered. The estimate is inclusive of sales tax but contains no inflation factor:

(5) Electricity

The budgeted item includes the cost of electricity for the common areas of the building including lighting, fans, motors and the elevator. The estimate was provided by Jack Green Associates, Consulting Engineers, 242 West 36th Street, New York, NY 10018 in a letter dated July 30, 2013. The estimate provides for the usage of as follows and is inclusive of sales tax and a 10% inflation factor:

Common Lighting and Power:	30,660 KWH per year at a cost of $.22 per KWH for a total cost of $11,948 Inflation factor of 10% - 1,195.00

Each unit is metered for individual electrical use. See Schedule B-1.

In view of the current energy situation, it is not possible to predict whether the budgeted figure will reflect the actual cost to be incurred during the first year of cooperative operation. The actual charges may exceed the budgeted amount if utility rates are increased. Utility rates are affected by increases in fuel rates paid by the utility as well as other factors.

(6) Insurance.

The following insurance coverage is recommended for the property for the first year of condominium operation by York International Agency, LLC, 500 Mamaroneck Avenue, Suite 220, Harrison, New York 10528 in a letter dated August 2, 2013. Sponsor will be obligated to obtain binders for such coverage at the closing of title:

Items Covered	Estimated Amounts
Special Multi-Peril Policy	
Section I. - All Risk Building	$5,000 deductible Replacement Value $2,400,000

Section II - Comprehensive

General Liability Broad Form C.S.L.	$1,000,000 per occurrence $2,000,000 general aggregate
Officers and Directors	$1,000,000
Fidelity Bond	$250,000
Umbrella	$5,000,000
Policy Premium:	$7,500.00

This coverage does not include claims for personal injury or property damage resulting from occurrences in an apartment, nor does it include the furniture or personal property of unit owners. If such coverage is desired, a unit owner should obtain a separate policy for liability and for the contents of his or her apartment, at his or her own expense.

Fire, casualty and general liability coverage will provide that (i) each unit owner is an additional insured party; (ii) there will be no cancellation without notice to the Board of Managers; (iii) a waiver of subrogation; (iv) a waiver of invalidity because of acts of the insured and unit owners; and (v) a waiver of pro-rata reduction if unit owners obtain additional coverage.

The following coverages are not included but are available at extra costs: Workers Compensation, Disability, and Auto Liability.

In recent years premiums for insurance (especially fire and liability) have increased substantially. It is not possible to predict whether future premiums will continue to escalate at the same inordinate rate or will level off. Although the projected budget item is believed to be reasonable, no guaranty is given that these coverages will be available at this cost at the time of closing. In the event these coverages are not available at substantially the projected cost, the Plan will be amended to reflect such change.

(7) Water and Sewer -

Water usage is metered by the City of New York, Department of Environmental Protection. There will be a single meter for the building. The budgeted amount is for the water meter is based on an estimate provided by Jack Green Associates, Consulting Engineers, 242 West 36th Street, New York, NY 10018 in a letter dated July 30, 2013. The estimate provides for an average annual water consumption of 61,330 cubic feet of water. The current water and sewer combined rate is $9.27 per hundred cubic feet for a total water and sewer charge of $5,685 per year.

(8) Service Contracts

Service contracts include:

(1)	Elevator	$5,100 per year as estimated by Concourse Elevator LLC, 2 Saggese Circle, Nesconset, NY 11767 in an estimate dated October 1, 2013.
(2)	Exterminator	$130.00 per month as estimated by Pest Away, 261 Wsest 35th Street, New York, New York 10001 in a letter dated August 13, 2013.
(3)	Fire Alarm	$3,060 for first year and $1,500.00 for second year, based on estimate by Allstate Service Group, LLC, 1869 White Plains Road, Bronx, NY 10462, in a letter dated August 27, 2013.

(9) Management Fees -

The condominium will enter into a one (1) year management contract with Cygnet Realty I LLC, prior to the first closing. The contract will provide for an annual fee of $7,500. This fee is a market rate. Management functions include collecting of common charges, paying of bills and arranging for repairs. The contract may be terminated by either party on 30 days prior notice.

(10) Legal & Audit Fees

$5,500.00 of the budgeted item will be used for auditing fees in connection with preparation of the first year's financial statements of the Condominium and its Federal and State income returns per an estimate provided by Friedman LLP, Certified Public Accountants, 100 Eagle Rock Avenue, East Hanover, New Jersey 07936, in a letter dated July 24, 2013. No funds have been budgeted for legal fees. If the condominium wishes to retain the services of an attorney, it will necessitate an increase in common charges.

(11) Contingencies

This item is to provide a fund for possible expenses not included in the budget or possible increase in one or more of the items of operating expense above the amounts projected not now foreseeable. The budget may be modified from time to time prior to the commencement of or during the first year of condominium operation to add new items of expense or increase one or more items of operating expense. In the event of any material change in the budget, this plan will be amended. The funds for such modifications may be provided by decreasing the Contingency fund or by decreasing one or more items of expense, or both. The contingency Fund does not include a reserve for capital replacements or repairs.

(12) Reserves - Reserves will be accumulated for capital replacements such as the roof and sidewalks. While it is anticipated that no sums will be needed in the near future, the reserves will accumulate until such funds are needed. The reserve amount is less than 10% of the budget and does not comply with the FNMA lending requirements. It is anticipated that unit purchasers will

not be obtaining loans under the FNMA lending program.

(13) Other Expenses include employer association dues, building telephone, license fees, registration and municipal permits, income taxes or other miscellaneous expenses not provided for elsewhere in the Budget.

NOTE: The budget is based on the anticipated first year of operation commencing October 1, 2014. If the actual or anticipated date of commencement of condominium operation is delayed more than six (6) months from this date, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty-five (25%) percent or more, the sponsor will offer all purchasers the right to rescind and their purchase agreements in not less than fifteen (15) days of the presentation to exercise the right. Downpayments or deposits of purchasers who rescind will be returned within thirty (30) days of receipt of their rescission request. Sponsor may not declare the plan effective where there are any material changes to the budget that have not been disclosed by duly filed amendment to the offering plan.

SCHEDULE B-1

PROJECTED ENERGY COSTS FOR UNITS DURING FIRST YEAR OF CONDOMINIUM OPERATION

The estimate of the cost for heating and hot water is provided by Jack Green Associates, Consulting Engineers, 242 West 36th Street, New York, NY 10018 in a letter dated July 30, 2013. Each unit will use natural gas for cooking and electricity for all other power needs. Sponsor makes no representation as to their accuracy. A copy of the full Jack Green Associates letter is reproduced in Part II following the Architect's Report.

Each unit owner will be separately metered for gas and electricity. Electrical usage and costs include the cost of the combined heating/air conditioning units.

In view of the fact that these averages may include the use of energy by persons of varying need, occupying dissimilar types of dwelling units, constructed of different materials at different times, with different standards of comfort or with families of different sizes, the amount of energy used by the purchaser may vary substantially form the average estimates herein provided. In addition, the effect of inflation, fuel shortages and other factors may raise the cost of electricity and/or gas substantially higher than the current or projected rate.

Although the Sponsor is under an obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially effect the cost of heating and cooling after the purchase of a Unit or in subsequent years. Sponsor represents, however, that it has followed the plans and specifications provided by the manufacturer of the heating, hot water and air conditioning units together with the recommendation of the utility company and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost.

The following chart estimates the cost and usage of electricity within the units general use, including lighting and appliances, and for air conditioning. Each unit is estimated to use 109.5 Therms of gas for cooking at a cost of $1.40 per therm for an annual cost of $155.00 per unit. All units are approximately the same. Estimates for electrical use are based on unit costs of $.22 per kwh.

Category		KWH	Cost
Air conditioning and heating		30,000	$6,600.00
Other Electrical Loads:			
a.	Lighting	5,000	
b.	Appliances	1,200	
c.	Total	6,200	$1,364.00
		Total Annual Cost	$7,964.00

MARSHALL S. SCHIFF, P.C.

ATTORNEY AT LAW

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COMPLIANCE WITH REAL PROPERTY LAW 339-i

October 1, 2013

179 Ludlow Holding LLC
1564 49th Street
New York, New York 11219

Re: 179 Ludlow Street Condominium
179 Ludlow Street, New York, New York

Gentlemen:

I am an attorney and am fully familiar with the provisions of Real Property Law Section 339-i. I have written over 50 offering plans for the creation of condominiums in the State of New York. I have been active in residential and commercial real estate for over 20 years. I am an expert in the field of condominium law, including the allocation of common interest.

The method selected for determining the percentage of common interest allocated to each unit of 179 Ludlow Street Condominium is based on floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, uniqueness of the unit, the availability of common elements for exclusive or shared use an the overall dimensions of the unit, pursuant to Section 339-i(1)(iv) of the Real Property Law.

The allocation of percentages of common interest complies with Section 339-i(1)(iv) of the Real Property Law.

This letter may be included in the offering plan.

Very truly yours,

Marshall S. Schiff

COMMERCIAL UNITS

There is one commercial unit. This unit is being sold as a retail commercial unit. This unit may be used for any legal use under the zoning and building codes of the City of New York.

The basis for projecting the share of expenses attributable to the commercial unit is based upon the floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, uniqueness of the unit, the availability of common elements for exclusive or shared use an the overall dimensions of the unit, pursuant to Section 339-i(1)(iv) of the Real Property Law.

The common charges payable by the commercial unit owner is sufficient to cover the expenses fairly attributable to such unit.

The commercial unit owner is not subject to a right of first refusal on the rental of the commercial unit. Since the commercial unit may be used for any legal use under the zoning and building codes, there is no guaranty that some unit owners might find some potential uses objectionable.

CHANGES IN PRICES AND UNITS

Subject to the conditions hereinafter set forth the Sponsor reserves the right, exercisable at any time prior to the closing to change the amount of the purchase price of any of the units from the amount shown in the foregoing Schedule A, the terms of sale and the manner of payment. Consequently, purchasers of units affected by such change may pay or may have paid more or less than other purchasers under this Plan for similar units, but this shall not affect any prior or later sale of units unaffected by such change. However, no such change will affect the common charges or percentage of common elements of a unit as to which the amount of the purchase price was changed. Changes in the amount of the cash purchase prices to be paid will be made by amendment to the Plan for across the board increases or decreases affecting one or more lines of units or unit models or if the price is to be advertised or is a price increase for an individual purchaser. However, the Sponsor may enter into an agreement with a purchaser to sell one or more units at prices lower from those set forth in Schedule A without filing an amendment before entering into an agreement as the prices are negotiable.

In order to meet the possible varying demands for size and type of units or to meet particular requirements of prospective purchasers or for any other reason, the Sponsor reserves the right at any time prior to closing by amendment to the Plan to (A) change the size, layout, internal partitioning and number of units; (B) subdivide one or more units into separate units; and (C) combine separate units into one or more units; $\geq$ provided only that the consent of all governmental authorities having jurisdiction is first obtained (if such approval is required by law). If the size or layout of a unit is changed, the percentage of common elements of such unit may be increased or decreased; however, the total percentage of common elements will remain 100%. No such change, however, will be

made without prior amendment to the Plan, and, when applicable, to the Declaration of Condominium.

After the declaration is recorded, the holders of Unsold Units will have the same rights as the Sponsor by amendment to the plan to either change the size, layout and partitioning of any apartment owned by them and to amend the Declaration in connection with such change, provided that the total percentage of common elements remains 100%.

Further, an existing unit may be enlarged by using space in the building which was previously common areas or such space may be converted into a new unit. No change will be made in the size or quality of public area unless purchasers who executed and delivered purchase agreements to the Sponsor consent to same. No change will be made in the size or number of units and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements, except by amendment to the plan and, when applicable, to the Declaration.

Unless an affected purchaser consents, no material change in the purchase price, size or layout or in the percentage of common elements of such unit will be made with respect to any unit for which a purchase agreement has been executed and delivered to Sponsor and under which the purchaser is not then in default.

Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the size or quality of common elements.

INTERIM LEASES

In the event the Sponsor so consents a purchaser who signs a Purchase Agreement which is accepted by the Sponsor prior to the closing of title under this Plan may enter into an Interim Lease on the terms set forth in this section, which lease shall be signed prior to Purchaser occupying the unit.

The lease shall be prepared on the standard form of apartment lease currently published by the Real Estate Board of New York, Inc. The rent payable thereunder shall be negotiated by Sponsor and purchaser, but in no event shall it exceed the legal maximum rent. The term of such lease shall be for a period which will expire on the date of closing of title in the event this Plan shall have been declared effective or two years after the date of execution of such lease if this Plan shall not have been theretofore declared effective in accordance with its terms. If this Plan is abandoned, the Purchaser, as tenant under such lease may, at any time at his sole option, cancel such lease and vacate the premises upon 90 days' prior written notice to the Sponsor sent to the address set forth on the cover of this Plan, or remain as a tenant for the balance of the term of the lease. No rent protection laws such as Rent Stabilization apply to tenants under interim leases.

It shall be a default under the Interim Lease if the purchaser-tenant thereunder fails to

comply with all the obligations under the Purchase Agreement for said apartment. A default in the performance or observance of the terms and conditions of the Interim Lease would also be a default under the terms of the Purchase Agreement and a default under the terms of the Purchase Agreement would also be a default under the terms of the Lease. Either of these defaults will permit the Sponsor to cancel the Purchase Agreement and Lease in accordance with its terms. The purchaser-tenant shall be required to vacate the apartment within 45 days after notice of the cancellation of the purchase agreement is sent to him. Such cancellation under the Purchase Agreement only apply in the event of an uncured default. No deposit will be forfeited upon a default unless at least 30 days has elapsed after written demand for payment has been made by Sponsor.

Until the Purchaser acquires title to the unit, a purchaser of an apartment in the building will not be able to claim the income tax deduction described in the introduction to this Plan. Such deductions will only become available (a) when and if this Plan is declared effective and there is a closing under this Plan, and (b) when and if the conditions set forth in the opinion of counsel set forth herein have been met, and then only for the period subsequent to the Closing Date. Rents due under any Interim Lease shall be equitably adjusted as to the Closing Date between Sponsor and the purchaser-tenant.

The Sponsor does not presently offer the right to rescind the Purchase Agreement or the Interim Lease. However, should such right be offered in the future, and exercised by purchaser, then the purchaser's right to rescind will be conditioned upon his surrendering possession of the apartment and leaving the same vacant, in good condition and broom clean within 45 days after he elects to rescind. Nothing contained herein shall relieve any purchaser of liability for damage caused to the apartment or any liability under the Purchase Agreement.

PROCEDURE TO PURCHASE

A person desiring to purchase a unit will be required to execute a Purchase Agreement in triplicate in the form contained in Part II of this Plan and return it to the Sponsor c/o the Escrow Agent as set forth below, together with a check, (subject to collection) money order, wire transfer or other instrument in an amount equal to 10% of the Total Cash Payment, drawn to the order of Marshall S. Schiff, 179 Ludlow Street Condominium Escrow Account.

The Escrow Agent:

Marshall S. Schiff, Esq., with an address at One North Broadway, White Plains, New York 10601 and whose telephone number is 914-997-6767, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Marshall S. Schiff, Esq.. 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.

The Escrow Account:

The Escrow Agent will establish the escrow account at Signature Bank, located at 360 Hamilton Avenue, White Plains, New York 10601 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled 179 Ludlow Street Condominium Escrow Account ("Escrow Account") . The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Marshall S. Schiff, as Escrow Agent.

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

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently .1%. Interest shall begin to accrue upon placing the Deposit into the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

Escrow Agreement:

The Escrow Agreement is reproduced in Part II of the Plan as Document 7. The Escrow Agreement must be executed by the Sponsor, Purchaser, and Escrow Agent.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints

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

Release of Funds:

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an 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-e and 352-h.

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

(a) a Purchaser who timely rescinds in accordance with an offer of rescission

contained in the Plan or an Amendment to the Plan; or

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

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

Waiver Void:

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

Before any funds are transferred from the escrow account to a new escrow account, or if the escrow agent is replaced, the Plan will be amended to provide the same disclosure as contained in this section with regard to the new escrow account, escrow agent and the escrow agreement. Sponsor may not substitute a bond, letter of credit or other security for the escrow account unless the Office of the Attorney General has approved in writing the use of such alternate form of security and the Plan has been amended to reflect that such alternate form of security will be used.

The escrow agent will maintain all records concerning the escrow account for seven years after release of funds.

If purchaser defaults and fails to cure, no more than ten percent (10%) of the offering price may be retained as liquidated damages except that the actual cost incurred by Sponsor for any special work ordered by the purchaser may also be retained as liquidated damages.

After the Plan has been declared effective, the Sponsor will fix dates for closing title to the units for which Purchase Agreements have been executed by sending written notice to each Purchaser stating the date of the first closing and the date of the Purchaser's closing. The balance of the Purchase Price is to be paid by personal certified check or official bank check drawn on a New York State bank which is a member of the New York Clearing House System to the order of Marshall S. Schiff, attorney, on not less than 30 days' prior written notice from the Sponsor specifying the Closing Date. Purchaser may waive this 30 day provision and close sooner by executing a written waiver. Payment shall not be due more than 65 days before the scheduled Closing Date as set forth in the Purchase Agreement.

Sponsor expects the first closing of a unit to take place on or about September 1, 2014. If such date is delayed by twelve (12) months or more, Purchaser shall be afforded a right to rescind the Purchase Agreement.

Purchaser will be required to execute a Power of Attorney to the Board of Managers at the Closing. The form of the Power of Attorney is contained in Part II of the Plan. Failure to execute the Power of Attorney at Closing will be deemed a material default.

The risk of loss from fire or other casualty will remain with Sponsor unless or until a Purchaser takes actual possession of a unit pursuant to an interim lease or legal title to the unit has been conveyed to the Purchaser at which time the risk of loss not covered by insurance either obtained by the Sponsor or Condominium will be assumed by Purchaser. Purchaser should obtain insurance to cover such loss or damage to the unit upon taking possession of the unit or the closing of title to the unit, whichever is sooner.

If a purchaser does not pay the balance of the Purchase price on time, the Sponsor shall make a written demand therefor. Thirty (30) days thereafter, if the balance due has not been paid the Purchase Agreement shall terminate and the down payment, but in no event more than ten (10%) percent of the purchase price and the actual cost incurred for special work ordered by the purchaser, shall be paid over to the Sponsor, as liquidated damages, and the Purchase Agreement will be canceled. In the event of such cancellation, the Sponsor shall have the right to sell the unit to another purchaser. Time is of the essence to cure a default under this section. Time of the essence means that upon the expiration of this thirty day period, if Purchaser has failed to cure his or her default, the Contract will automatically terminate and Purchaser's down payment, plus any other sums as set forth above, shall be paid over to Sponsor as liquidated damages.

Purchasers will be afforded either (i) not less than three business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or (ii) purchaser shall be permitted to rescind his Purchase Agreement and obtain a prompt refund of his down payment, if, within seven (7) days after delivering an executed Purchase Agreement together with the required down payment, such purchaser delivers in person or by mailing post marked within such seven (7) day period a written notice of rescission to the Sponsor. Any such rescission notice must identify specifically the Property and the apartment designated in the Purchase Agreement.

Sponsor will either accept the Purchase Agreement and return an executed agreement or reject and return the down payment within 20 days after the date on which purchaser submits a signed Purchase Agreement to the Sponsor. If such purchaser receives no response within such period, his Purchase Agreement will be deemed rejected.

The obligation to purchase is contingent upon purchasers obtaining financing. Purchaser has 45 days from receipt of a fully executed Purchase Agreement to notify Sponsor of his inability to obtain financing. Purchaser may apply for financing from any lending institution. If Purchaser obtains a mortgage commitment within the 45 day period or any mutually agreed upon extension to the 45 day period, Purchaser assumes the risk that the terms of the commitment may change prior to the actual closing. Purchaser is obligated to close notwithstanding said changes. If Purchaser's commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment and is unable to do so, such purchaser will have a right to rescind the Purchase Agreement by sending Sponsor notice within 15 days of Purchaser being notified by their

lender of their inability to extend their commitment. Upon the cancellation of the Purchase Agreement either due to Purchaser's inability to obtain a commitment or pursuant to notice of Purchaser's inability to extend a commitment, Sponsor will promptly refund the down payment, with interest if any, within 20 days of notice that the Purchase Agreement has been canceled. Purchaser must, however, use due diligence in obtaining and maintaining any and all extensions necessary to maintain such commitment in force and effect or to obtain another commitment. Such extension might be at a higher interest rate and the Purchaser may be required to pay and additional "origination fee" or other such charges that the lending institution requires.

Conflicts between the Purchase Agreement set forth in Part II of the Offering Plan and the Offering Plan shall be resolved in favor of the Plan.

The purchase agreement may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law.

ASSIGNMENT OF PURCHASE AGREEMENT

The Purchase Agreement may not be assigned by the Purchaser.

EFFECTIVE DATE

Sponsor's offer to sell is contingent upon the plan being declared effective and Sponsor's compliance with the relevant condition and time periods hereinafter set forth and under "Rights and Obligations of Sponsor". No closing of title to any Unit may occur before this Plan is declared effective as to the units in its Condominium, or as to all of the Units.

HOW PLAN IS DECLARED EFFECTIVE:

The plan may not be declared effective until bona fide purchasers, including investors, have executed purchase agreements for not less than fifteen percent (15%) of the units offered under the plan (1 unit).

The plan must be declared effective by the Sponsor when purchase agreements are accepted for the sale of eighty percent (80%) or more of the units offered under the plan (5 units).

The plan may be declared effective by (a) an amendment to the Plan; or (b) service of written notice to all purchasers either by regular mail or hand delivery stating that the plan is declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the plan was declared effective on a specified date. The closing of the first unit shall not occur until the plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

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) if the purchaser was not afforded three business days to review the offering plan and all filed amendments prior to executing a purchase agreement.

(iii) with any purchaser who is the sponsor, the selling agent, or the managing agent or is a principal of the sponsor, the selling agent or the managing agent or is related to the sponsor, the selling agent or the managing agent or to any principal of the sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser other than the sponsor or a principal of the sponsor may be included if the sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide.

Sponsor also agrees to submit to the Department of Law if requested, copies of all purchase agreements (and any amendments or modifications) within five (5) business days after the request is made.

WHEN THE PLAN MAY BE ABANDONED:

Sponsor reserves the right to abandon this Plan at any time before it is declared effective as to any Condominium. Sponsor reserves the right to abandon this Plan after it is declared effective as to any Condominium, but only before Sponsor has conveyed any Unit in that Condominium, and only if (a) there is a defect in title to the Property which cannot be cured without litigation, or which cannot be cured for an amount which is less than an amount equal to one-half (1/2%) percent of the total amount of this offering (the Limitation Amount); (b) there is substantial damage or destruction of the Buildings then existing by fire or other casualty which cannot be cured for less than the Limitation Amount; or (c) a material portion of the Property is taken by condemnation or eminent domain. If this Plan is abandoned, it will be done by duly filed amendment to this Plan. Sponsor will also file a notice of abandonment on form RS-3 or such other form as the Department of Law may require, explaining the reason for the abandonment and the disposition of all funds received.

If this Plan is abandoned, all moneys paid by purchasers under their Purchase Agreements, including any money paid for extras, upgrades or special orders, will be refunded to them in full, with interest earned thereon, if any, within 5 days after abandonment amendment has been accepted for filing by the Department of Law.

Once the Plan has been declared effective it may not be abandoned, except for (i) a defect in title or violation which cannot be cured without litigation or cannot be cured for less

than $75,000 or (ii) damage or destruction of the buildings by fire or other casualty which cannot be repaired for less than ½ of one percent of the total offering amount or (iii) the taking of any material portion of the Property by condemnation or eminent domain. The Plan may only be abandoned by duly filed amendment.

The Closing Date shall be fixed by the Sponsor by written notice to the purchasers, and shall be not less than 30 days nor more than 180 days after the giving of such notice, unless the Closing Date is adjourned.

On the Closing Date each purchaser will become obligated for the payment of common charges under Declaration, whether or not he has taken possession of the apartment. After the Closing Date an amendment will be submitted for filing disclosing the financial details of the Plan's closing.

CLOSING OF TITLE TO UNITS
TERMS OF SALE

Closing of title means the actual transfer of ownership of the condominium unit by Sponsor to the purchase following the contract of sale. It will occur only after the completion of the unit and the issuance of either a permanent or temporary certificate of occupancy for such unit. Purchaser will receive not less than thirty (30) days written notice by Sponsor of the closing date. Purchaser may close on a date that is sooner than the closing date selected by Sponsor by waiving the thirty day notice in writing to Sponsor.

Closing of title to the units will take place at the office of Marshall S. Schiff, P.C., One North Broadway, White Plains, New York 10601 or at a place in Manhattan to be designated by Sponsor.

Upon delivery to Sponsor: (i) the balance of the Purchase Price, (ii) a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor and (iii) a transfer tax return in the form required to be filed with The City of New York, and (iv) a New York State Transfer Tax Return (TP-584), each of which must be executed and acknowledged by the Purchaser, Sponsor will execute, acknowledge and deliver to the Purchaser a Bargain and Sale Deed with covenant against grantor's acts, conveying title to such Unit to Purchaser free and clear of all liens, encumbrances and title exceptions subject only to the those described in the Unit Deed and the Plan, including the following title conditions:

1. Any state of facts which an accurate survey might show, providing same do not render title unmarketable;
2. Covenants, Easements and Agreements of record provided that the building may remain undisturbed so long as the building stands.

The Deed and Unit Owner's Power of Attorney will be substantially in the forms set forth in Part II of the Plan. The Power of Attorney allows the Board of Managers to acquire Purchaser's unit in the event of foreclosure or upon exercising the Board's right of first refusal on the sale of the unit.

The Power of Attorney also grants to Sponsor the power to amend the Declaration of Condominium to reallocate space and percentages of common elements among unsold units.

Sponsor will correct, by the First Closing, all title defects and all violations of record issued prior to the first Closing and will comply with proper work orders of the insurer of the Property noted or issued prior to the First Closing. With respect to all violations noted before the first Closing, Sponsor will complete all corrective work by the First Closing or within a reasonable period of time thereafter. Sponsor will escrow at closing a sum deemed sufficient by Sponsor's engineer or architect to cure the aforementioned violations.

In the event a unit is damaged prior to closing due casualty or other cause, Sponsor may adjourn the closing for up to six months in order to repair the damage. The risk of loss remains with Sponsor until the closing. In the event the damage cannot be repaired within six-months of the originally scheduled closing date, purchaser will be given the option to either cancel the Purchase Agreement or adjourn the closing until the unit has been repaired. If the purchaser elects to terminate the Purchase Agreement, the down payment will be returned to purchaser, with interest, if any, withing 15 days of Sponsors receiving notice that purchaser has elected to cancel the Purchase Agreement.

At the closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the closing; (I) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and escrows for real estate taxes, if any; (ii) Common Charges for the month in which title closes; and (iii) rent and other charges, if any, pursuant to a lease for, or tenancy of, such Unit. In the event that the Unit has not been separately assessed for the then current fiscal tax year at the time of closing title, the apportionment of real estate taxes shall be based on the Unit's pro rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. Installments for tax assessments due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title.

In the event Units have not been separately assessed for real estate tax purposes prior to the closing of the first Unit, Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the real estate taxes attributable to the unsold units for such six month period. Sponsor shall collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six month period. The Board of Managers shall pay the real estate taxes from the escrow account when taxes are due and payable and Sponsor shall be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

All personal property located within the unit on the date the Purchase Agreement is signed or located within the common elements on the date the declaration is filed, that is owned by the Sponsor, is included in the conveyance unless specifically exempted in the Plan or Purchase Agreement.

The Declaration, Bylaws and Floor Plans for the condominium and such other documents,

as required by law, will be recorded or filed prior to the first conveyance of a unit in accordance with the New York State Condominium Act in the office of the Register of the County of New York.

At this time, the property is not encumbered by either a mortgage or construction loan. If a mortgages or construction loans is obtained and is not satisfied at or prior to the closing of the first unit, at the time of conveyance of the first unit, each such mortgagee or construction lender will either consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; subordinate the lien of its mortgage to the declaration of condominium; or, release its lien on the condominium unit being conveyed and its interest in the common elements.

The Purchaser will represent to Sponsor that he or she has not dealt with any broker other than the Selling Agent and any other broker named in the Purchase Agreement in connection with the acquisition of his or her Unit and will indemnify Sponsor against the claims of any other broker not so listed.

Neither the Purchase Agreement nor any monies deposited thereunder shall constitute a lien against the Property, including the Unit.

No provision of the Purchase Agreement shall survive the delivery of the deed, except those obligations expressly stated therein or in the Plan to so survive or to be performed subsequent to the closing. Acceptance by Purchaser of the deed will constitute Purchaser's acceptance and acknowledgment of the full performance by Sponsor of, and the discharge of Sponsor from, all obligations under the Purchase Agreement, except those obligations expressly stated to survive or to be performed subsequent to delivery of the deed. Nothing contained herein will be in derogation of the rights of Purchasers under Article 23-A of the General Business Law or under the Plan.

If the Purchaser of a Unit so requests, closing of title shall be subject to the issuance of a title insurance binder insuring fee title to such Unit in the purchaser subject only to the encumbrances set forth in the Purchase Agreement and Plan, which binder will also insure that a valid condominium has been created pursuant to the terms of the Condominium Act. The cost of such title insurance shall be borne by the Purchaser. (See the section entitled "PROCEDURE TO PURCHASE; TERMS OF SALE OF UNITS" for an estimate of the cost to the purchaser to obtain such title insurance.)

CLOSING COSTS AND ADJUSTMENTS

At the time of title closing, the Purchaser will pay the following costs and expenses which rates are as of the date of this plan and subject to change without notice:

a. If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor which will vary depending upon the amount of insurance requested. For example, if ordered from Madison Abstract, agent of First American Title Insurance Company of New York (914-725-7200) the premium will be $5,789.00 for a $1,350,000 unit, $6,155.00 for a $1,450,000 unit, $6,521 for a $1,550,000 unit, $6,887.00 for a $1,650,000 unit, $7,253.00 for a $1,750,000 unit, $7,619.00 for a $1,850,000 unit, $7,985 for a $1,950,000 unit, $8,168.00 for a $2,000,000 unit, $8,717.00 for a $2,150,000 unit and $9,083.00 for a $2,250,000 unit. Purchaser may obtain title insurance from any title insurance company without incurring a penalty.

b. A fee for recording the deed and power of attorney will each be $42.00 per instrument plus $5.00 per page; and a service charge to the title company of approximately $20.00 per instrument. There is also a fee of $25.00 for filing the Equalization and Assessment form and a fee of $6.00 for the filing of the Real Property Transfer Tax Return.

c. All ACRIS forms will be prepared by Sponsor's counsel. An additional fee of $250.00 will be due for the preparation of ACRIS forms.

d. Documentary Tax Stamps on the Deed of .4016% of consideration; (while this is normally a cost borne by the seller of a one-family home, this cost may be transferred to the purchaser by contract). While the transfer tax is normally .4% to the State of New York, the tax is considered additional consideration when paid by the Purchasers. The percentages set forth in this paragraph reflect the additional consideration.

e. New York City Transfer Tax of 1.445% of consideration for units selling for $500,000 or more; (while this is normally a cost borne by the seller of a one-family home, this cost may be transferred to the purchaser by contract). While the transfer tax is normally 1% or 1.425% to the City of New York, the tax is considered additional consideration when paid by the Purchasers. The percentages set forth in this paragraph reflect the additional consideration.

f. Sponsor's attorney's fee for the preparation of closing documents of $2,500.00, provided the closing is held in Westchester or Manhattan. There will be an additional fee of $750.00 if the closing is held in Queens or Kings and an additional fee of $1,000.00 if the closing is held in Richmond or Nassau Counties. There will also be an additional fee of $750.00 if Purchaser adjourns the closing within 48 hours of the scheduled closing date.

g. If purchaser obtains a mortgage, a portion of the mortgage tax payable by the purchaser in connection with his unit mortgage will be reimbursed to the Sponsor in accordance with Section 339-ee of the Real Property Law of the State of New York in an amount equal to the amount paid by Sponsor for any construction loan mortgage covering the unit.

h. Working Capital Fund contribution of $1,000.00.

i. In addition, Purchasers obtaining mortgage loans will be responsible for the payment of all closing costs and expenses in connection therewith in the amounts determined by the lender. These costs customarily include, among others:

1. a fee for recording the mortgage (at the same rate as given above for recording a deed);

2. mortgage title insurance if required by the lender. The premium will be $1,746.00 for $1,000,000 of insurance plus $3.64 for each additional $1,000.00 of insurance. Purchasers will be entitled to a special simultaneous rate discount for obtaining both fee and mortgage insurance. There is also a charge for building department searches, bankruptcy search and endorsements required by the lender.

3. banks attorney and appraisal fee if required by the lender.

4. mortgage recording tax of 2.05% of the principal amount of the mortgage less $30.00 if the mortgage is less than $500,000 and 2.175% of the principal amount of the mortgage less $30.00 if the mortgage is $500,000 or more.

5. application fees, points and credit checks.

Furthermore, purchasers obtaining mortgage loans may be required to escrow with the mortgagee sufficient monies to pay the real estate taxes, insurance, sewer, water, or other items next coming due (the amount of such escrow cannot now be determined and will depend on the number of months remaining between the closing of title and the date these amounts are next due to be paid and the estimated amounts then payable, as well as the discretion of the mortgagee).

To the extent the above escrow is not required by a purchaser's mortgagee, or if purchaser does not have a mortgage, if units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, Sponsor must place in escrow with the Board of Managers of the Condominium in the name of the Condominium, an amount equal to the unpaid real estate taxes which will be levied against the unit for the six month period following the first closing or until the units are separately assessed, whichever is shorter. The Condominium will pay the real estate taxes from the escrow account when taxes are due and payable and is entitled to a pro rata reimbursement

from unit owners.

In addition, real estate taxes and common charges will be adjusted to the date of closing.

For individuals seeking mortgages in excess of 80% of the sales price, private mortgage insurance may be necessary at additional costs, which may include 1% of the mortgage at closing plus 1/4% each year until the mortgage principal reaches the level of 80% of the purchase price.

If purchaser obtains a mortgage, a portion of the mortgage tax payable by the purchaser in connection with his unit mortgage will be reimbursed to the Sponsor in accordance with Section 339-ee of the Real Property Law of the State of New York in an amount equal to the amount paid by Sponsor for any construction loan mortgage covering the unit.

The estimated cost to close Unit 2 with a purchase price of $1,350,000 with no mortgage will be as follows:

1.	Fee title insurance	$ 5,789.00
2.	Endorsements	100.00
3.	Recording of documents	250.00
4.	New York State Transfer Tax	5,421.00
5.	New York City Transfer Tax	19,507.00
6.	Working capital contribution	1,000.00
7.	Sponsor's attorney's fee	2,500.00
8.	Preparation of ACRIS	250.00
	Total $	34,817.00

Mortgage title insurance, bank fees and mortgage tax will be an additional cost.

The above fees contemplate a simultaneous rate discount for Fee and Mortgage policies and a bulk rate discount for newly constructed or renovated condominiums.

RIGHTS AND OBLIGATIONS OF SPONSOR

The Sponsor has the following rights and obligations:

1. Sponsor has no obligation to defend any suits or proceedings arising prior to the recording of the Declaration except claims arising out of Sponsor's acts or omissions. Sponsor has no obligation to indemnify the Board of Managers and unit owners except that Sponsor will indemnify the Board of Managers and unit owners from any suit or proceeding arising out of Sponsor's acts or omissions.

2. All representations made in the offering plan, all obligations pursuant to the GBL and such

additional obligations under the offering plan which are to be performed subsequent to the closing date will survive the delivery of the deed.

3. Sponsor shall be liable to pay all common charges real estate taxes and special assessments with respect to unsold units. Sponsor has the financial resources to meet its obligations with regard to the unsold units. Sponsor expects to fund its obligations through unit sales. If projected sales are not made, Sponsor makes no representations as to its ability to meet these obligations. No bond or other security is being posted to secure these obligations.

4. Sponsor shall repair any damage from a casualty or other cause that occurs before closing of a purchaser's unit. Purchaser's shall have the right to adjourn the closing until such damage has been substantially repaired.

5. Sponsor agrees to initially procure, and the budget reflects fire and casualty insurance pursuant to an agreed amount replacement value policy.

6. In the event of the dissolution or liquidation of the Sponsor or the transfer of ten or more units or twenty (20%) or more of the total number of units in the condominium, whichever is less, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those units under the offering plan, applicable laws or regulations.

7. At this time, the property is not encumbered by either a mortgage or construction loan. If a mortgages or construction loans is obtained and is not satisfied at or prior to the closing of the first unit, at the time of conveyance of the first unit, each such mortgagee or construction lender will either consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; subordinate the lien of its mortgage to the declaration of condominium; or, release its lien on the condominium unit being conveyed and its interest in the common elements. Sponsor does not need construction financing to complete the Condominium.

8. The Sponsor will pay all contractors, subcontractors, and materialmen and all the others involved in the construction of the Condominium for all authorized and proper work performed and fixtures, material and all others involved in the construction and establishment of the Condominium under the Plan and will cause all mechanics' liens arising out of construction or the furnishing or installation of fixtures or equipment, to be discharged or bonded promptly after the liens are filed. The Sponsor will diligently, expeditiously and at its own cost, complete construction of the building substantially in accordance with the plans and specifications described herein and will diligently perform all of its obligations set forth in this Offering Plan. No changes will be made in the size, number or location of units, their respective percentage of common interest or in the amount or quality of common elements except by amendment to the plan and to the declaration with the consent of all unit owners and contract vendees directly affected if the declaration was filed prior to such change. Sponsor reserves the right to substitute for any of the equipment or materials specified in the Part II Description of Property, other materials of equal or better quality in the construction or design of the Condominium, but not of lesser quality or design.

9. Sponsor shall not change the size, location of building or units or other improvements or common elements if such changes affect the percentage of common interest or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected unit owners consent in writing to such change and all affected contract vendees are given the right to rescind and receive a return of any deposit or down payment.

10. Prior to closing the first unit, Sponsor must obtain a permanent, temporary or partial certificate of occupancy for the unit or the building in which the unit to be closed is located. The Sponsor and its principals agree to obtain a permanent certificate of occupancy for all units within two years after closing of the first unit. Sponsor must obtain the permanent certificate of occupancy before the partial or temporary certificate of occupancy expires, unless extended.

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

11. In the event any closing of title occurs before the issuance of a permanent certificate of occupancy, Sponsor is required to maintain all deposits and funds in the special escrow account required by GBL section 352-e(2-b) unless the Sponsor's engineer or architect certify that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from the special escrow account. Alternatively, if Sponsor elects by amendment to this plan, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified. Purchaser's mortgagee may hold any escrow amount required pursuant to this paragraph.

12. The Sponsor will make periodic visits to the property at reasonable intervals to correct any

defects in the construction of a Unit or the common elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially at variance with this Offering Plan provided and on condition that (a) in the case of a Unit, it is notified in writing of such defect(s) within one year from the closing of title to or first leasing of such Unit; or (b) in the case of common elements, Sponsor is notified of or becomes aware of such defect(s) within one (1) year from the date of substantial completion of the defective portion(s) of the common elements or the date of closing of title of the first Unit to a bona fide purchaser, whichever is later, as the case may be. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications. The Sponsor makes no warranties as to the appliances except that it will deliver to each Purchaser, the manufacturer's warranties thereon as set forth in this section of the Offering Plan.

13. The Housing Merchant Implied Warranty Law does **NOT** apply to the units in this offering. It applies newly constructed single-family homes and cooperative and condominium units in buildings of five stories or less. Sponsor will, however, warrant that the unit and the building will be free from defects caused by workmanship or materials; that the plumbing, electrical, heating, cooling and ventilation systems will be free from defects caused by unskillful installation and the building will be free from physical defects in the structural elements (foundations, floors, walls, roof framing) which makes the building or a unit unsafe or unlivable, for a period of one year from the first closing, as to the building, and one year from each unit closing, as to that individual unit.

(1) Not covered:

(a) A defect not caused by defective workmanship, materials or design.

(b) A patent defect which was obvious or would have been obvious upon inspection.

(c) Defects in items sold with the unit, such as stoves, refrigerators, air conditioners, etc. There are implied warranties from the manufacturers of such goods.

(2) Notice:

Buyers must give notice of defects in their unit or to the Building, in writing no later than 30 days after the end of the warranty period.

(3) Limitation of the Warranty:

This Warranty is limited. However, the limited warranty cannot permit construction which is below locally accepted building practices. The limitations are described below.

a) no steps taken by Seller to correct a defect shall act to extend the warranty period;

b) Seller accepts no responsibility for any warranty obligation for incidental or consequential damage caused by any defect;

c) except as otherwise provided by law, these warranties are extended to you as Purchaser and are not extended to any subsequent purchaser and mortgage lender who takes possession of the Unit;

d) these warranties shall be void if Purchaser misuses, abuses or otherwise interferes with or changes Seller's original construction or installations;

e) Seller is not responsible for any work or material ordered directly by Purchasers from Seller's subcontractors or suppliers;

f) in no event shall the Seller be responsible for the partial or total death of any trees, shrubs bushes or other landscape improvements, if any, damage to walkways or other concrete areas caused by the application of salt or de-icers, nail pops, ridging, normal lumber shrinkage, normal settlement or any consequential damage resulting therefrom, normal plumbing and heating noises ore carpet stretching, normal settlement cracks on concrete foundations, patios, sidewalks and other flat work, basement leaks resulting from acts of God or alteration of landscaping or grading, leakage resulting from "ice dams" forming on roofs, spalling or flaking of concrete surfaces if ice melting compounds have been used, scuffing on kitchen cabinets or vanities, minor chips (nicks) to Formica tops, cultured marble floors, tops and tubs, edges and surfaces, shading variations of the exterior siding staining (on the face surface or grooves), and shading variations on fascias from staining. Subsequent to the conveyance of title to a Unit, the Seller shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches in tubs, vanities or countertops; and

g) The total amount of liability on behalf of the Sponsor for warranty work, excluding any work covered by a manufacturer's warranty, is limited to $25,000.00 per unit.

The provisions of this Warranty shall survive the delivery of the deed.

See Exhibit A to the Purchase Agreement for a copy of the warranty agreement.

14. At or prior to the closing of a Unit, Sponsor shall assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the common elements to the Board of Managers.

15. Sponsor shall deliver a set of "as-built" plans to the Board of Managers following completion of construction.

16. No bond or other security other than those required by this Part has been furnished to secure Sponsor's obligations including Sponsor's obligations to complete construction to condominium property.

17. Sponsor has a right of access to complete construction of the condominium property. It is

obligated to repair any damages caused as the result of its work if notified during the warranty period in the manner set forth above. Sponsor will not interfere with unit owners' reasonable use of their unit during any work period. However, there may be a temporary limitation as to the use of the public areas and common areas.

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

19. Sponsor shall obtain a certificate of compliance for the electrical distribution of the units, from the appropriate municipal agency.

20. If at any time Sponsor cannot meet its financial obligations to the Condominium, it will be immediately disclosed in an amendment.

21. Sponsor will endeavor in good faith to market and sell all of the units in the Condominium, however, Sponsor is retaining the unconditional right to rent, rather than sell, condominium units. Because Sponsor is retaining the unconditional right to rent, rather than sell, units, this Plan may result in the creation of a condominium in which a majority of the units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more than the 15% necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. In the event sponsor makes a bulk sale of all or some of its unsold units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell units.

There are no loans affecting the premises. Sponsor does not need a construction loan to complete the project.

CONTROL BY SPONSOR

Sponsor appoint the first Board of Managers comprised of three (3) members. At the first meeting of unit owners, a new board comprised of seven (7) members will be designated by the Sponsor and unit owners. Sponsor will be entitled to designate a majority of members to the Board of Managers for so long as Sponsor owns a majority of the common elements attributable to units or five (5) years from the first closing, whichever is sooner (the "Initial Control Period"). Within thirty (30) days of the expiration of the Initial Control Period, Sponsor will hold an election at which a majority of members of the Board will be owner occupants.

Sponsor shall have the right to designate one member to the Board for each unit it owns, except that after the Initial Control Period, it will not designate a majority of the members. The

Initial Control Period shall be so long as the number of Unsold Units is greater than fifty (50%) per cent, or five years, whichever is sooner. Accordingly, from and after the first meeting of Unit Owners, at least one of the members of the Condominium Board shall be designated by Purchasers under the Plan or their successors in interest.

The By-Laws provide that Sponsor or its designee shall have the right, after the Initial Control Period, to designate the following minimum number of members of the Condominium Board: (a) three members, for so long as Sponsor or its designee own two or more units and (b) one member, for so long as Sponsor or its designee own one unit.

The number of members of the Condominium Board may not be increased without the consent of the owner of the Unsold Units for so long as there remain one (1) Unsold Unit

Until Sponsor no longer designates a majority of the members of the Condominium Board, Sponsor will, through its control of the Board, have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

Within thirty (30) days of the expiration of the Initial Control Period, a meeting will be held to elect new board members unrelated to Sponsor. The Bylaws provided that after the Initial Control Period, a majority of the board members must be owner/occupants of Units.

Notwithstanding anything to the contrary contained herein, during the first five years after the closing of the first unit, so long as Sponsor or its designee or both shall continue to collectively own Units representing twenty-five (25%) per cent or more in number or in aggregate Common Interests, the Condominium Board may not, without, Sponsor's or such designee's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by law (nothing contained herein shall restrict the right and obligation of the Condominium Board to maintain and repair the Common Elements); (b) assess any Common Charges for the creation or replacement of or addition to, all or part of a reserve, contingency or surplus fund in excess of five (5%) per cent in the aggregate of the estimated Common Expenses for any year of operation; (c) increase the number or change the type of employees from that described in the First Years Budget; (d) enter into any service or maintenance contract for work not covered in the First Year's Budget; or (e) borrow money on behalf of the Condominium.

Sponsor may not exercise veto power over expenses described in Schedules B and B-1, 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.

CONDOMINIUM BOARD OF MANAGERS

The affairs of the Condominium shall be governed by the Condominium Board, which shall consist initially of three members designed by Sponsor. At the first meeting of the Unit Owners, which will be held within approximately four months after the First Closing, the three-member Condominium Board shall resign in favor of a new six-member Condominium Board, to be designated by Unit Owners and Sponsor at such meeting. Each unit owner will designate one member to serve on the Board of Managers. Thereafter, each unit owner will designate a member to the Board of Managers at the regular annual meeting of Unit Owners held in January of each succeeding year. (See the subsection below entitled "Meetings and Votes of the Unit Owners" for further discussion.)

The initial Board of Managers shall be comprised of the following persons:

Michael Goldberg, President - Managing Member of Sponsor
Jonathan Seplowitz, Vice President - Employee of Sponsor
Marshall S. Schiff, Esq., Secretary/Treasurer - Sponsor's Attorney

The term of office of each of the six members of the Condominium Board shall normally be one year.

All members of the Condominium Board shall be either: (a) Unit Owners or spouses of Unit Owners or mortgagees of Units or a spouse of an individual mortgagee; (b) partners or employees (or their spouse) or a partnership owning a Unit or a mortgage covering a Unit; (c) officers, directors, stockholders or employees (or their spouse) of corporate owners or corporate mortgages of Units; or (d) fiduciaries or their beneficiaries (or their spouse) who are owners or mortgagees of Units (or directors, officers, stockholders or employees, or their spouses, or corporate fiduciaries, or partners or employees, or their spouses, of partnership fiduciaries). However, members elected by Sponsor or its designee need not be Unit Owners. Other than members designated by Sponsor or its designee, no member shall continue to serve on the Condominium Board after he ceases to be a Unit Owner or an interested party in a Unit Owner, as specified in this paragraph.

Members of the Condominium Board are subject to removal, without cause, by vote of Unit Owners owning a majority of the Common Interests attending a meeting at which a quorum is present. However, members designated by Sponsor or its designee may only be replaced by designates of Sponsor or said designee.

All members of the Condominium Board shall serve without compensation.

Powers and Duties of the Condominium Board

The Condominium Board shall have the powers and duties necessary for administration of the affairs of the Condominium (subject to the limitations set forth in the By-Laws), including

without limitation, the following: (a) operation, care, upkeep and maintenance of the Common Elements; (b) determination of the Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property; (c) collection of the Common Charges from the Unit Owners; (d) employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements; (e) adoption and amendment of the Rules and Regulations covering the details of the operation and use of the Property (subject to a right of the Unit Owners to overrule the Board as provided in the By-Laws); (f) maintaining bank accounts on behalf of the Condominium and designating the signatories required therefor; (g) purchasing, leasing, or otherwise acquiring in the name of the Condominium Board or its designees, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their foreclosure or other judicial sales, in the name of the Condominium Board or its designee, on behalf of all Unit Owners; (i) selling, leasing, mortgaging, or otherwise dealing with (but not voting the votes appurtenant to) Units acquired by, and subleasing Units leased by, the Condominium Board or its designee, on behalf of all Unit Owners; (j) obtaining and renewing insurance for the Property including the Units; (k) making repairs, additions and improvements to, or alternations of, the Property and repairing and restoring the Property after damage or destruction by fire or other casualty, or as a result of a condemnation or eminent domain proceedings; (l) enforcing obligations of the Unit Owners; (m) levying fines against the Unit Owners for violations of the Rules and Regulations (no fine may exceed $100.00 for any one violation, but each day a violation continues after notice, it shall be considered a separate violation (n) borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, and maintenance of the Common Elements (provided, however, that (i) the consent of at least 66-2/3% of all Unit Owners, both in number and in Common Interests, shall be required for the borrowing of any sum in excess of $50,000.00 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interests in the Common Elements without the consent of the Unit Owner); and (o) adjusting and settling insurance claims and executing and delivery of releases in connection therewith.

The Condominium Board shall be responsible for maintaining and repairing the Common Elements as set forth in this Declaration and in the By-Laws, regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other occupant.

Officers of the Condominium

The officers of the Condominium shall consist of the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Condominium Board at its annual meeting. The Condominium Board may also appoint additional officers. All officers shall serve without compensation from the Condominium. None of the officers need be Unit Owners until the six-member Condominium Board is elected at the first meeting of the Unit Owners. Thereafter, at least two (2) officers must be members of the Condominium Board and Unit Owners (or officers, directors, shareholders, partners, employees, beneficiaries (or members of their family) of corporations, partnerships, fiduciaries, or mortgagees that are Unit Owners). Any officer may be removed, without cause, by vote of a majority of the Condominium Board at a meeting called for such purpose.

Meetings and Votes of the Unit Owners

Except for the first meeting, the Unit Owners shall hold annual meetings on or about the second Tuesday in January of each year, unless such date shall occur on a legal holiday, in which event the meeting shall be held on the succeeding business day. At each annual meeting, the Unit Owners shall elect successors to the members of the Condominium Board whose term of office expires as of such meeting. In addition, special meetings of Unit Owners may be held from time to time, pursuant to the By-Laws, whenever necessary for the affairs of the Condominium.

A Special Meetings of the Unit Owners may be called by the President whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 35% of the Common Interests of all Unit Owners. The resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at a Special Meeting except business reasonably related to purposes stated in the petition or resolution.

Each Unit Owner shall be entitled to cast one vote at all meetings of the Unit Owners for each .01% of Common Interest attributable to the Unit(s) owned by him or her, except that, when voting for the election of members of the Condominium Board, each Unit Owner; (i) shall be entitled to one vote for each .01% of Common Interest attributable to his or her Unit per member to be elected and (ii) shall not have the right to cumulate his or her votes in favor of any one or more members to be elected. The presence, in person or by proxy, of Unit Owners having a majority of votes of all Unit Owners shall constitute a quorum at all meetings of Unit Owners, and unless otherwise provided, the decision of the Unit Owners casting a majority of the votes of the Unit Owners at a meeting at which a quorum shall be present shall be binding upon all of the Unit Owners. However, elections of members of the Condominium Board shall be determined by plurality vote.

Repairs, Alterations and Improvements to Common Elements

All painting, decorating, maintenance, repairs and replacements to the Common Elements, whether located inside or outside of Units, shall be made by the Condominium Board, which need not obtain the approval of the Unit Owners or of mortgagees of Units (regardless of the cost thereof), and the cost of the same shall be a Common Expense (unless necessitated by the negligence, misuse, or neglect of a Unit Owner, in which case such Unit Owner will bear the entire cost thereof).

All maintenance and repairs to the Common Elements shall be performed by employees of the Condominium or by independent contractors. The Condominium will employ a visiting superintendent, whose estimated wages are included in the First year's Budget.

Whenever, in the judgment of the Condominium Board, the Common Elements shall require additions, alterations, or improvements costing more than $25,000.00 in the aggregate, in any calendar year, such additions, alterations, or improvements shall not be made unless the same have been approved by the Unit Owners (including Sponsor, if it then owns any Unit) owning a majority

of the Common Interests at a duly constituted Unit Owner's meeting and by the representatives of institutional mortgages of Units, if any, appointed pursuant to the By-Laws (the "Mortgage Representatives"). If approved, the Condominium Board may, in its discretion, assess each Unit Owner his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common charges. Any additions, alterations, or improvements costing $25,000.00 or less, in aggregate, in any calendar year may be made by the Condominium Board without the approval of the Unit Owners or the Mortgage Representatives if any, and the cost thereof shall constitute a Common Expense. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to the Common Elements, regardless of the cost thereof, unless the consent of Sponsor or its designee is first obtained (so long as Sponsor or its designee or both shall collectively own Units representing twenty-five (25% per cent or more in number or in Common Interests and the fifth anniversary of the first closing has not yet occurred), unless same is required by law or is necessary for the healthy or safety (but not the general comfort or welfare) of the resident of the Building.

Insurance

The Condominium Board shall maintain fire insurance policies insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishing, or other personal property supplied or installed by the Unit Owners or tenants of Unit Owners), and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and the holders of all Permitted Mortgages (the "Permitted Mortgagees"), as their respective interests may appear, in an amount equal to at least the full replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss proceeds, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee (hereinafter defined) as set forth below. The cost of all such insurance shall be paid by the Condominium Board and shall be borne by the Unit Owners as part of the Common Charges.

The proceeds of all such policies of physical damage insurance shall be payable to the Condominium Board in the event of a loss amounting to $100,000.00 or less, and to the Insurance Trustee if the loss shall amount to more than $100,000.00. Such proceeds shall be applied for the purpose of repairing, restoring, or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner or his or her Unit unless, in accordance with the provisions of Section 5.5 of the By-Laws, there shall be a determination not to rebuild the Building. The Insurance Trustee shall be a bank or trust company, having an office in the City and State of New York, designated by the Condominium Board in accordance with the By-Laws.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or on invalidity arising from any acts of the insured and of pro rata

reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least tern (10) days' written notice to all of the insureds, including Permitted Mortgagees. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Permitted Mortgagees ten (10) days prior to expiration of the then current policies, and each Unit Owner shall receive a certificate of such insurance.

The Condominium Board shall also maintain, to the extent obtainable: (a) fidelity insurance covering all officers and employees of the Condominium Board and of the Managing Agent (if any) who handle condominium funds; (b) public liability insurance as to personal injury and property damage in such limits and amounts as the condominium Board may from time to time determine, covering each member of the Condominium Board, and the Managing Agent or manager (if any) and each of the Unit Owners; (c) rent insurance in an amount equal to the common charges for one (1) year; (d) workers' compensation and New York State disability benefits insurance; (e) boiler and machinery insurance; (f) water damage legal liability insurance; (g) elevator liability and collision insurance; and (h) such other insurance as the Condominium Board may from time to time determine. Such public liability insurance will also cover cross-liability claims of one insurer against another. However, such insurance will not cover the individual liability of a Unit Owner arising from any occurrence within his or her own Unit.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The Cost of all such insurance shall be paid by the Condominium Board and shall be borne by all Unit Owners as part of the Common charges.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation and provided further, that the liability of the carriers issuing insurance procured by the Condominium Board shall not be affected or diminished by reason of any Unit Owners's other insurance. A Unit Owner should consider maintaining, at his or her own expense: (a) separate insurance on the contents (i.e., furniture and other personal property and belongings) in his or her Unit, in such amount as will be adequate to insure against loss by reason of fire or other casualty; and (b) liability insurance against claims for personal injury or property damage resulting from occurrences in his or her Unit.

Repair or Restoration After Fire or Other Casualty

Except as set forth in the next paragraph, in the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof (including any damaged Units but excluding appliances, fixtures, furniture furnishings, or other personal property not constituting a part of such Unit).

If the insurance proceeds are insufficient to cover the cost of repairs or restorations, the Condominium Board may assess all Unit Owners for such deficit at a Common Expense. Any surplus insurance proceeds shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there has first been

paid, out of his or her share of such funds, such amounts as may be necessary to reduce unpaid liens on his other Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

Units Acquired by the Condominium Board

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

Liability of the Condominium Board and the Unit Owners

The members of the Condominium Board will have no liability to Unit Owners for errors of judgment, negligence, or otherwise, except that individual; members will be liable for their own bad faith or willful misconduct. The Condominium Board may contract or effect other transactions with any member thereof, with any Unit Owner, with Sponsor, or with any affiliate of any of them at competitive rates without incurring any liability for self-dealing.

Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the building, shall state (if obtainable) that (a) it is made only as agent for all Unit Owners, and the members of the Condominium Board or such officer, superintendent, or managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners, and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) such Unit Owner's interest in his or her Unit and its appurtenant Common Interest, unless otherwise provided by law.

All Unit Owners shall severally indemnify each member of the Condominium Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith or willful misconduct of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

This means that a Board Member could have personal responsibility for such member's acts if done in bad faith or as the result of wilful misconduct. While the Condominium will secure an errors and omissions insurance policy, such policy may not cover acts done in bad faith or as a result of wilful misconduct. Such acts may result in a judgment against the individual board member and such board member will be responsible for the payment of his or her own attorney to defend any such claim.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners within four (4) months after the end of each fiscal year of the Condominium.

Amendments to the Condominium Documents

Generally, subject to certain exceptions and provided that any required consent of the Mortgage Representatives is obtained, any provision of the Declaration. the By-Laws, or the Rules and Regulations may be amended, modified, added to, or deleted by the affirmative vote of 66-2/3% of all Unit Owners, both in number and in common Interests. However, for so long as Sponsor or its designee is the owner of one or more Units, the Declaration, the By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect special rights of Sponsor or such designee without the prior written consent of Sponsor or said designee. In addition, the provisions of the Declaration and the By-Laws relating to the use of Units or each Unit's Common Interest may not be amended without the prior consent of every Unit affected by such amendment.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Owner of a Unit (other than Sponsor or its designee with respect to Unsold Units) may sell or lease his or her Unit, provided, however, that such owner first gives the Condominium Board written notice of his or her intention to do so, which notice shall be accompanied by a fully executed copy of the contract of sale or lease, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or lessee. The Condominium Board, on behalf of all Unit Owners, shall have the exclusive right to elect to purchase the Unit within fifteen (15) business days after receipt of such notice of sale, or to lease the Unit within ten (10) business days after receipt of such notice of lease, on the same terms set forth in said contract or lease, all as more specifically set forth in Article 7 of the By-Laws. This is called a "Right of First Refusal."

If the Condominium Board does not exercise its Right of First Refusal within the time periods set forth above, it will, within five (5) business days thereafter, provide to the Unit Owner a Waiver of the Right of First Refusal and thereupon the Unit Owner will have sixty (60) days after receipt of this waiver to consummate the sale or lease in accordance with the terms stated in the contract of sale or lease appended to such notice, failing which the Unit Owner will again be required to offer the same first to the Condominium Board as provided above.

The Condominium Board may not exercise its Right of First Refusal to purchase or lease any Unit unless those Unit Owners owning a majority of the aggregate Common Interests of all Units affirmatively vote in favor thereof, in person or by proxy, at a meeting of Unit Owners at which a quorum is present. If approval is given, the Condominium Board may purchase the unit with funds obtained by any one or more of the following sources, (i) assess each Unit Owner (other than the selling Unit Owner), in proportion to his or her Common Interest, an amount necessary to effectuate

the purchase or lease; (ii) funds deposited in the capital and/or expense accounts of the Condominium; (iii) finance the acquisition of such Unit provided, however, that no such financing may be secured by a mortgage of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests and (iv) take title to the Unit subject to the existing mortgage or mortgages pursuant to the Sale or Lease Agreement.

Notwithstanding the foregoing, any Unit Owner may sell or lease his or her Unit to his or her spouse, adult child, parent, grandparent, parent-in-law, or adult sibling, or may convey his or her Unit by gift, devise it by will, or have it pass by intestacy, without complying with the restrictions described above; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, such restrictions. In addition, any Unit Owner that is not a natural person may sell, lease, or convey its Unit to a related or controlled entity as more particularly set forth in Article 7 of the By-Laws.

The terms of residential leases given by unit owners, including the rent, are not subject to the Rent Stabilization Law of 1969 and Code or the Rent Control Laws.

The Board of Managers 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.

The foregoing restrictions upon the sale and lease of Units shall not apply to Sponsor or its designee with respect to any Unsold Units or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure; they shall be free to sell or lease without first offering to sell or lease to the Condominium Board.

Each conveyance of a Unit by Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's: (i) Common Interest; (ii) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) undivided interest in any other assets of the condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor, in the form set forth in Part II of the Plan, in accordance with Article 24 of the Declaration.

Mortgaging of Units

Each owner of a Unit may mortgage his or her Unit, provided that, with respect to Units other than the Unsold Units, the conditions with respect thereto set forth in Article 8 of the By-Laws are first complied with. As more fully set forth in said Article 8, these conditions include the requirements that:

(a) the mortgage be substantially in the form of the New York statutory form of

mortgage, except for such changes or additions as may be required to permit a lender to make the loan;

(b) the Condominium Board is notified in writing of the making of such mortgage and is given a copy thereof; and

(c) the Unit Owner making such mortgage is not in arrears for Common Charges and first satisfies all other unpaid liens against his or her Unit, other than mortgages placed on his or her unit in compliance with Article 8 of the By-Laws ("Permitted Mortgages").

Sponsor or its designee, as the owner of Unsold Units, shall have the right to mortgage the Unsold Units without any restriction or limitation, except that the Condominium Board is required to be notified in writing of the making of such mortgage and is to be given a copy thereof.

Common Charges Assessment, Collection and Lien for Non-Payment

The Condominium Board will prepare and distribute to all Unit Owners, at least annually, a budget setting forth its project of the Common Expenses for the coming fiscal year of the Condominium. Such Common Expenses will include, among other things:

(a) all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements;

(b) water charges and sewer rents in connection with the Building (unless the same are separately assessed to individual Units);

(c) real estate taxes and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and

(d) amounts for such other items as the Condominium Board may deem proper (such as amounts for reserves, to make up deficits for prior years, to prepay indebtedness of the condominium, or to purchase or lease Units).

Based upon such budget, the Condominium Board will promptly determine and advise each Unit Owner of the Common Charges payable to such Unit Owner during the ensuing fiscal year, which Common Charges shall represent a portion of the projected Common Expenses of the Condominium assessed to the Common Interest of each Unit, as set forth in the Purchase Price Schedule, has been determined upon the basis of each Unit's approximate square footage of floor space relative to that of other Units in the Condominium pursuant to the terms of the Condominium Act.

Pursuant to the terms of Article 6 of the By-Laws, the Condominium Board has the right to revise it projection of the Common Expenses at any time and from time to time during any fiscal year of the condominium. Any such revision may result in an increase or decrease in the amount of

Common Charges payable by Unit Owners prior to the date of such new determination.

Unless otherwise determined by the Condominium Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month. No Unit Owner will be relieved from liability for the payment of his or her Common Charges by waiving the use of any of the Common Elements or by mere 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.

On a resale of any Unit, the purchaser of such Unit shall be required to pay unpaid Common Charges assessed against such Unit prior to his or her acquisition, except that a mortgagee acquiring title to a mortgaged unit or a purchaser at a mortgage foreclosure sale shall not be liable, and such mortgaged Unit shall not be subject to, a lien for the payment of any Common Charges assessed subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by the mortgagee or a purchaser at a mortgage foreclosure sale. In the event that the Condominium Board forecloses its statutory lien on any Unit for unpaid Common Charges and the net proceeds of the foreclosure sale shall not be sufficient to pay such unpaid Common Charges, or if such Unit is acquired by a mortgagee or purchaser at a mortgage foreclosure sale, then, in either event, the defaulting Unit Owner shall remain personally liable for the balance of such unpaid Common Charges. The Condominium Board shall have the right to assess such unpaid balance amongst all those who are Unit Owners at the time that the same is levied.

Under the provision of Section 339-z of the Condominium Act and Article 6 of the By-Laws, the Condominium Board will have a lien, on behalf of all Unit Owners, on each Unit for unpaid Common Charges assessed against such Unit together with interest thereon. All such liens, however, will be subordinate, to the extent required by applicable law, to any liens for real estate taxes and assessments on such Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office and 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 be sooner. Such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing the lien.

Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on units in which Sponsor is more than 30 days in arrears of common charges while Sponsor is in control of the Board of Managers.

Restrictions on the Use of Units

As more fully set forth in the Declaration and in the By-Laws, each Unit shall be used only as a residence (except as otherwise described herein), and not more than one family may occupy a

Unit at any one time. However, upon the prior written consent of the Condominium Board any Unit may be used as a professional or business office, provided that such use is permitted by law and does not violate the then existing Certificate of Occupancy covering such Unit. In addition, Sponsor may, without obtaining a consent of the Condominium Board or the other Unit Owners:

(a) Allow any Unit owned by Sponsor or its designee to be used as a professional or business office or for any other purpose, provided that such use is permitted by law and does not violate the then existing Certificate of Occupancy covering such Unit; and

(b) use any one or more of such Units as model units and sales and/or promotion offices in connection with the sale or rental of the Unsold Units or for any other purpose, subject only to compliance with law.

A Unit owned or leased by an individual, corporation, partnership, fiduciary or other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including officer, directors, stockholders, or employees or corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such entity, respectively, or by members of the immediate family or guests of any of the foregoing. However, the foregoing restriction shall not apply to Unsold Units.

No nuisance, or immoral, improper, offensive, or unlawful use, shall be allowed in the building or any portion thereof. No portion of a Unit, other than the entire Unit, may be rented, and no transient tenants may be accommodated therein. 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 Condominium Board, whoever shall have the obligation to maintain or repair such portion of the Property. The Rules and Regulations of the Condominium, which govern the use of all of the Units, may be amended from time to time by the Condominium Board, provided that copies of such amendments are furnished to each Unit Owner prior to the time that they become effective.

Repairs to, and Maintenance of, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary:

(a) in or to any Unit (other than the Common Elements contained therein) shall be performed by the Owner of such Unit at his or her sole cost and expense; and

(b) in or to the Common Elements shall be performed by the Condominium Board as a Common Expense.

In connection with the foregoing, it should be noted that the exterior glass surfaces of all windows located in any Unit are to be washed and cleaned by the owner of such Unit, at such Unit Owner's sole cost and expense. It is also noted that the Rules and Regulations require eighty (80%)

per cent of the floor area of each Unit (except for kitchens, bathrooms, closets and foyers) to the covered with rugs, carpeting, or other equally effective noise reducing material.

Notwithstanding the foregoing, however, all maintenance, repairs and replacements to the Common Elements, whether structural or nonstructural, ordinary or extraordinary, that are necessitated by the negligence, misuse, or abuse of a Unit Owner, will be made by such Unit Owner at his or her sole cost expense.

In addition, all repairs to the electrical and plumbing risers from the basement to each unit shall be repaired and maintained by the unit owner serviced by said riser.

The By-Laws require that each Unit, and all portions of the Common Elements be kept in first-class condition (and, with respect to any terrace, roof, or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. The By-Laws further require that those public or other areas of the Building that are exposed to public view (whether the same are required to be maintained by a Unit Owner or by the Condominium Board) be kept in good appearance in conformity with the dignity and character of the building by such Unit Owner or the Condominium Board, as the case may be. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter his or her Unit to perform such acts as are necessary to cure such default. (See the subsection entitled "Rights of Access" for a further discussion.)

Alterations and Improvements of Units and Common Elements

No Unit Owner (except Sponsor or its designee, as described in the following paragraph) may make any structural alteration, addition, improvement, or repair in or to his or her Unit without the prior written approval of the Condominium Board. Such approval may be conditioned, in the discretion of the Condominium Board, upon the execution of an agreement by such Unit Owner, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions upon which such alteration, addition, improvement, or repair may be made. Except as otherwise provided in the By-Laws, no Unit Owner may make any alteration, addition, improvement, or repair in or to the Common Elements.

Sponsor or its designee shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to:

(a) make alterations, additions, improvements, or repairs in or to any Unsold Unit, whether structural or nonstructural, interior or exterior, ordinary or extraordinary; and

(b) subdivide, combine and change the boundary walls of Unsold Units. (See the section entitled "CHANGES IN PRICES AND UNITS" at page 31 of the Plan for further discussion).

At the request of Sponsor or its designee, the Condominium Board will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair proposed to be made by Sponsor, at which time Sponsor shall execute an agreement to indemnify and hold harmless the Condominium Board and the Unit Owners from any expense or liability by virtue of the execution of the application or such other documents.

Generally, all alterations, additions, 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.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board, and the Managing Agent, superintendent and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes, among others, of making inspection or, removing violations of governmental laws or regulations against any part of the Property, curing defaults committed by the owner of such Unit under the Condominium Documents, or correcting any conditions originating in any Unit and threatening another Unit or any Common Element. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan.

Self-Help

In the event that any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by such Unit Owner, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

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

Each Unit Owner must strictly comply with the provisions of the Condominium Documents, as the same may be amended, modified, deleted, or added to from time to time pursuant to the terms thereof. Failure to strictly comply is grounds for an action for damages, injunctive relief, or both.

Real Property Law 399kk:

Real Property Law ("RPL") Section 339-kk was enacted on July 22, 1998. A copy of this law is printed in Part II of the Plan. Section 339-kk applies to all condominium buildings. The Law is intended to provide financial protection for a condominium if a non-occupying owner fails to make monthly payments of common charges, assessments or late fees for its unit(s). A non-occupying

owner is defined as an owner of a condominium unit who does not occupy the dwelling unit(s).

The statute provides:

a. If a non-occupying owner rents any condominium unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit for a period of sixty (60) days from the expiration of any grace period after they are due, then, upon written notice to the tenant of such unit and the non-occupying owner, all rental payments from such tenant will be directly payable to the condominium. At such time as all payments of common charges, assessments or late fees are current, the condominium will send a notice to the rental tenant that future payments of rent shall be made to the non-occupying owner.

b. Any rights existing under any other laws are not limited by this statutory requirement.

c. Payment by the rental tenant to the condominium done pursuant to Real Property Law Section 339-kk relieves the tenant from the obligation to pay that rent to the non-occupying owner.

Insurance

The Condominium Board shall maintain fire insurance policies insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishing, or other personal property supplied or installed by the Unit Owners or tenants of Unit Owners), and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and the holders of all Permitted Mortgages (the "Permitted Mortgagees"), as their respective interests may appear, in an amount equal to at least the full replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss proceeds, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee (hereinafter defined) as set forth below. The cost of all such insurance shall be paid by the Condominium Board and shall be borne by the Unit Owners as part of the Common Charges.

The proceeds of all such policies of physical damage insurance shall be payable to the Condominium Board in the event of a loss amounting to $100,000.00 or less, and to the Insurance Trustee if the loss shall amount to more than $100,000.00. Such proceeds shall be applied for the purpose of repairing, restoring, or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner or his or her Unit unless, in accordance with the provisions of Section 5.5 of the By-Laws, there shall be a determination not to rebuild the Building. The Insurance Trustee shall be a bank or trust company, having an office in the City and State of New York, designated by the Condominium

Board in accordance with the By-Laws.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or on invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least tern (10) days' written notice to all of the insureds, including Permitted Mortgagees. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Permitted Mortgagees ten (10) days prior to expiration of the then current policies, and each Unit Owner shall receive a certificate of such insurance.

The Condominium Board shall also maintain, to the extent obtainable: (a) fidelity insurance covering all officers and employees of the Condominium Board and of the Managing Agent (if any) who handle condominium funds; (b) public liability insurance as to personal injury and property damage in such limits and amounts as the condominium Board may from time to time determine, covering each member of the Condominium Board, and the Managing Agent or manager (if any) and each of the Unit Owners; (c) rent insurance in an amount equal to the common charges for one (1) year; (d) workers' compensation and New York State disability benefits insurance; (e) boiler and machinery insurance; (f) water damage legal liability insurance; (g) elevator liability and collision insurance; and (h) such other insurance as the Condominium Board may from time to time determine. Such public liability insurance will also cover cross-liability claims of one insurer against another. However, such insurance will not cover the individual liability of a Unit Owner arising from any occurrence within his or her own Unit.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The Cost of all such insurance shall be paid by the Condominium Board and shall be borne by all Unit Owners as part of the Common charges.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation and provided further, that the liability of the carriers issuing insurance procured by the Condominium Board shall not be affected or diminished by reason of any Unit Owners's other insurance. A Unit Owner should consider maintaining, at his or her own expense: (a) separate insurance on the contents (i.e., furniture and other personal property and belongings) in his or her Unit, in such amount as will be adequate to insure against loss by reason of fire or other casualty; and (b) liability insurance against claims for personal injury or property damage resulting from occurrences in his or her Unit.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien or any nature may arise or be created against he Common Elements except with the unanimous consent of all Unit Owners, Liens may arise or be created against only the several Units and their respective Common Interests. A lien for labor performed in, or materials supplied to, a Unit may be filed against the Unit of an owner who has expressly requested or consented to the performance of such work or the supplying of such

materials, but may not be filed against the Unit of any other owner who has not expressly requested or consented to the same, except in the case of emergency repairs, No labor performed in, or materials furnished to, the Common Elements shall be the basis for a lien thereon, but all Common charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request, or with the consent, of the Condominium Board or the Managing Agent.

Termination of Condominium

The Condominium shall continue (unless terminated by casualty loss, condemnation, or eminent domain as provided by 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%) per cent of all Unit Owners, both in number and in Common Interests. In addition, the written consent of the Mortgage Representatives, if any, shall be required before such vote is effective. Sponsor will not vote the aggregate Common Interests appurtenant to Unsold Units for such withdrawal unless at least eighty (80%) per cent of all other Unit Owners, both in number and in Common Interests, elect to withdraw, at which time Sponsor may choose to vote its Common Interests either in favor of or against withdrawal from Condominium ownership, as it sees fit. In the event of withdrawal, 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 resulting therefrom shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit, in the order of priority of such liens.

Easements

Each Unit shall have, in common with all other Units:

(a) an easement to use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, public utility lines and the Common Elements existing, or that may come into existence, as a result of (i) the settling or shifting of the Building; (ii) any alteration or repair to the Common Elements made by, or with the consent of, the Condominium Board; or (iii) any repair or restoration of the Building (or any portion thereof) or of any Unit 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, so that any such encroachment may remain so long as the Building shall stand. Each unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor or other Units and the Common Elements.

Sponsor has reserved the right, for itself and its designee (so long as Sponsor or said designee owns a Unit) and for the Condominium Board, to grant such additional electric, gas, telephone, water, sewer, drainage, or other utility easements as Sponsor, its designee, or the Condominium

Board shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the Unit Owners, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for dwelling or permitted professional or business purposes. Access to any Unit or to the Common Elements in furtherance of such additional or relocated easement shall be exercised in such a manner as shall not unreasonably interfere with the use of the affected Units for dwelling or permitted professional or business purposes.

Sponsor and prospective purchasers and tenants of Unsold Units shall have an easement on and through the Common Elements for all purposes relating to the sale and rental of such Units, without being subject to any charge or fee therefor. Sponsor may use its Units and the Common Elements (at any one or more places designated by Sponsor) for sales, renting, or display purposes, including placing "for sale" or "for rent" signs and other promotional and/or building materials of such size and content as Sponsor shall determine.

TAXES - DEDUCTION TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

REAL ESTATE TAXES

In accordance with the New York State Condominium Act, real estate taxes applicable to each Unit will be separately assessed. The assessments will be made by the Assessor of the City of New York, County of New York. No unit owner will be responsible for the payment of, nor will the unit be subjected to, any lien arising from the non-payment of taxes on other units. The estimated monthly costs and charges to be incurred by the owner of each Unit in the first year in which the property will be fully subject to real estate taxes are set forth on Schedule A. Estimated assessed valuation for each unit, along with the most current tax rates are set forth below and in the footnotes to Schedule A.

Purchasers should note that assessments may be allocated on a basis that differs from the allocation of common interests.

No tax certiorari proceedings are pending. Each unit owner may authorize the Board of Managers to bring tax certiorari proceeding on his or her behalf.

Section 5.11 of the Bylaws provides that until real estate taxes are apportioned by the Assessor, the Condominium Board of Managers may collect estimated taxes as a common charge and pay such taxes when due. These taxes will be collected and paid in accordance with the following terms:

1. Sponsor will escrow with the Condominium its proportionate share of real estate taxes not less than 30 days prior to the date same become a lien on the premises.

2. The Condominium will collect from all other unit owners their proportionate share of real estate taxes not less than 30 days prior to the date same become a lien on the premises.

3. Should a unit owner or Sponsor fail to pay such estimated taxes in a timely fashion, same shall be deemed unpaid common charges and the Condominium shall have the right to file a lien for such unpaid common charges and enforce said lien in accordance with Section 339 of the Real Property Law.

4. The Condominium will pay the real estate taxes from the escrow in a timely manner and provide to each unit owner proof that such taxes have been paid.

Taxes have been estimated by the Metropolitan Realty Exemptions, Inc., with offices at 118 Middleton Street, Brooklyn, New York 11206, in a letter dated August 1, 2013 and takes into consideration that the property will not qualify for tax abatement under any program. The estimate relies on an estimated value for the property after construction and a residential tax rate of 13.181 per $100.00 of valuation and $9.870 for commercial properties. See the opinion letter of Metropolitan Realty Exemptions, Inc. reproduced in Part II of the Plan.

The assessed valuation and taxes for the units after construction is based on an assessed valuation for the residential portion of the building of $614,700 and $361,049 for the commercial unit. This gross residential assessment was then divided by the percentage of common elements of each of the residential units.

Unit	Post Construction Assessed Valuation	Annual Tax
C	$361,049	$23,764
1	$99,888	$13,166
2	$99,888	$13,166
3	$99,888	$13,166
4	$99,888	$13,166
5	$99,888	$13,166
6	$115,444	$15,192

Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

After the condominium is divided into individual tax lots, 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, nor will the unit be subject to, any lien arising from the non-payment of taxes on other units.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND THE STATUS OF THE CONDOMINIUM

The Sponsor has been advised by its counsel, Marshall S. Schiff, P.C., One North Broadway, White Plains, New York, that each Unit Owner will be entitled under present law to a deduction for Federal, New York State and New York City income tax purposes for the real estate taxes paid by him covering his Unit and for the interest paid by him on any mortgage covering his Unit. See the opinion of counsel.

The Condominium will be eligible to elect to meet the requirements of Section 528 of the Internal Revenue which would allow them to be exempted from tax on certain income. The Sponsor has been advised by his counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. If there is no election, the Condominium should spend most of their income or properly designate, it, thus limiting taxes. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge.

This opinion is not a guarantee; it is based upon existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Selling Agent or any other person be liable if the Condominium ceases to meet the requirements of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing this opinion, or if the facts on which counsel relied in issuing the opinion, or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied.

MARSHALL S. SCHIFF, P.C.
ATTORNEY AT LAW

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June 1, 2014

179 Ludlow Street Condominium
179 Ludlow Street
New York, New York

Re: 179 Ludlow Street
New York, New York

Gentlemen:

We have reviewed your Offering Plan (the "Plan") for the condominium ownership of the land and the residential buildings constructed thereon in New York, New York (hereinafter sometimes referred to as the "Property"). The condominium will be known as the 179 Ludlow Street Condominium. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Residential Unit Owners. You have also asked our opinion as to the tax status of the condominium association.

We have examined the schedules, exhibits and documents accompanying the Plan, including the Declaration (the instrument which will create the Condominium, and the By-Laws governing the operation of the Condominium). The opinions expressed in this letter are based upon the assumptions that the Plan becomes effective and is consummated in accordance with the terms so that valid condominium ownership of the premises is established on the filing of the condominium declaration. In our opinion, pursuant to the Plan:

1. A Unit Owner will own fee simple title to his or her Unit and an undivided interest in the common elements.

2. Each Unit, together with its appurtenant interest in the Common Elements, will be a separate tax lot for purposes of New York City real estate taxation, and the Unit Owner will directly liable for the real estate tax assessment with respect to his or her Unit, but not with respect to any other Unit.

3. Subject to certain restrictions described in the Declaration and Bylaws of the Condominium, a Unit Owner may mortgage his or her Unit as he or she wishes, and the Unit will

not be subject to the lien of any mortgage placed on other Units; and

4. A Unit Owner may transfer his or her Unit subject, with certain exceptions, to certain rights of the Board of Managers as described in the Plan.

Under the Plan, the Condominium will be managed by a Board of Managers whose members will be elected by the Unit Owners (and by the Sponsor of the Plan, to the extent that the Sponsor owns any Units). We also understand that the Condominium will be an unincorporated association under New York law. The Plan and the Bylaws provide that the expenses incurred in the operation and maintenance of the Condominium exclusive of the Units themselves (the "Common Expenses") shall be borne by the individual Unit Owners and assessed and collected by the Condominium Board on behalf of the Condominium in proportion to each Unit Owners percentage interest in the Common Elements (the "Common Charges").

Based on the foregoing, it is our opinion that an individual Unit Owner who purchases a residential Unit as his or her principal or second residence and who itemizes deductions will be entitled, under present tax laws and regulations, to deduct from adjusted gross income, for Federal income tax purposes, real estate taxes, if any, assessed against such Owner's Unit, as well as qualified residence interest on acquisition indebtedness up to $1,000,000 ($500,000 for a married individual filing a separate return) secured by a Unit (See Sections 163(h) and 164 of the Internal Revenue Code of 1986, as amended (the "Code)). We express no opinion as to the availability of such deductions under applicable requirements of the Code with respect to payment of alternative minimum tax under Sections 55-59 of the Code, or as to the availability of such deductions to the owner of a residential Unit which is not used as the Unit Owner's principal or second residence, for example, a rental Unit.

Where an owner does not occupy the Unit but holds it instead as an investment, current federal tax law imposes a limit on the amount of interest that is deductible equal to the taxpayer's net investment income for the year. The deduction is also considered a miscellaneous deduction that, together with other miscellaneous deductions, must exceed 2% of adjusted gross income to have effect. An investor owner should obtain the opinion of his or her own tax advisor to determine how the investment interest limitation affects him or her.

Common charges will be borne by Unit Owners and assessed and collected by the Board of Managers. I f the Condominium is treated for tax purposes as merely the agent of the Unit Owners, the income received by the Board of Managers and the Condominium, and the expenses incurred would be deemed to be income and expenses of the individual Unit Owners, in proportion to their respective interests, and the amount of such income less such expenses would be taxable to them in the same proportion. See Rev. Rul. 74-563.

The law in this area is uncertain, though. I f the Internal Revenue Service asserts that the Condominium constitutes an association under the default rules of Section 301.7701-3(b), it would be taxable as a partnership unless it elects to be taxable as a corporation. If so, members of the Condominium would be subject to Federal income tax on their pro-rata share of the Condominium

income.

It is our opinion that pursuant to Section 458 of the New York State Real Property Tax Law certain owners of condominium units who are veterans of the United States Armed Forces may be entitled to exemptions covering part of the real estate taxes otherwise assessed by the tax authorities against their units.

We have considered the relevant cases and rulings on the tax status of the Condominium Association, including Revenue Ruling 74-17, 74-99, 75-370 and 75-371. Although the association described in the Plan would be deemed a taxable entity under such rulings, assuming the assessments for capital purposes, including reserves, are properly designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the association will not realize any significant amount of taxable income, such as interest earned on reserve funds deposited in bank accounts.

Moreover, if they meet the requirements of Section 528 of the Internal Revenue Code, added by the Tax Reform Act of 1976, the association will be able to elect to be exempt from tax on membership fees, dues and assessments from owners of condominium housing units. There are numerous requirements that must be satisfied in order to qualify for the election 1) it must be organized and operated to carry out exempt functions such as management, maintenance and care of the association; 2) 90% or more of expenditure must be for the purpose of acquiring, construction, managing, maintaining and caring for association property; 3) 60% or more of its gross income must consist of membership dues, fees and assessments from the owners of residences; 4) no part of net earnings may inure to the benefit of any private shareholder or individual; and 5) substantially all (at least 85%) of the total square footage of the Units must be used by individuals as residences or if unoccupied, be zoned for individuals as residences. Even if it qualifies, it will be taxable on income from other sources, including investment income.

In that less than 15% of the total square footage of the condominium is contained in the Medical Unit, it is our opinion that the association will be eligible for tax exempt status under IRC Section 528.

If, as anticipated, its income is largely offset by expenses, the ultimate income tax payable would be small. It is also possible that other sources of income, such as interest on interim investments by the Board of Managers, income from concessions or rentals, if any, and possibly income from the sale of Units acquired by the Board of Managers pursuant to its right of first refusal, may be subject to federal or state income taxation.

We express no views as to any federal or New York State tax consequences, or as to any aspects of the Plan, other than those aspects explicitly discussed in this opinion, or as to any tax status of the Plan under the laws of any other jurisdiction. This opinion does not deal with the tax consequences which may result from ownership of a Unit in connection with a Unit Owner's trade or business, or for the purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his or her foreign status.

Each Purchaser is advised to consult his or her own tax advisor as to all such tax matters as well as with respect to the tax matters contained in this opinion.

The Condominium will have the obligation to file an income tax return for each year of its operation.

We further disclose that our firm has no beneficial interest in the Sponsor or in the profitability of the project.

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

IN THE OPINION OF SPONSOR'S COUNSEL, EACH UNIT OWNER WILL BE ENTITLED TO INCOME TAX DEDUCTIONS. HOWEVER, THIS OPINION IS NOT A GUARANTEE; IT IS BASED UPON EXISTING RULES OF LAW APPLIED TO THE FACTS AND DOCUMENTS REFERRED TO ABOVE. NO ASSURANCES CAN BE GIVEN THAT THE TAX LAWS UPON WHICH COUNSEL BASE THIS OPINION WILL NOT CHANGE. IN NO EVENT WILL THE SPONSOR, THE SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD, THE SELLING AGENT OR ANY OTHER PERSON BE LIABLE IF THE CONDOMINIUM DOES NOT MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED, OF THE NEW YORK STATE TAX LAW AS AMENDED, IF THERE ARE CHANGES IN THE FACTS ON WHICH COUNSEL RELIED IN ISSUING THIS OPINION, OR IF THERE ARE CHANGES IN THE APPLICABLE STATUTES, REGULATIONS, DECISIONAL LAW OR INTERNAL REVENUE SERVICE RULINGS ON WHICH COUNSEL RELIED.

Very truly yours,

Marshall S. Schiff

WORKING CAPITAL FUND, CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD, AND RESERVE FUND

Working Capital Fund

At each closing, the Purchaser will contribute the sum of $1,000.00 to the Working Capital Fund (the "Working Capital Fund") which will be used first to pay the closing adjustments to the extent set forth below and the balance thereof may be held or used for working capital, to make repairs or improvements, and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Condominium Board in its sole discretion.

If the net closing adjustments are in favor of the condominium, the amount thereof will be paid or credited to the Condominium at closing. If the net closing adjustments are in favor of the Sponsor, same will be paid to Sponsor out of said Working Capital Fund to the extent of not more than $500.00 per closing and the payment of any balance owing shall be deferred and paid to Sponsor in twelve (12) equal consecutive monthly installments commencing one (1) month after the first Closing, without interest out of common charges collected. In such event, either common charges will be increased or an assessment imposed.

While Sponsor is in control of the Board of Managers, the Working Capital Fund may mot be used to reduce projected common charges as set forth in the Plan.

No representation is made that the Working Capital Fund will be adequate to cover expenses for the first or any subsequent year of condominium operation, including repairs or replacements, and if additional funds are required over and above the Working Capital Fund it may be necessary to increase common charges or levy a special assessment.

Neither the Office of the Attorney General nor any other government agency has passed on the adequacy of the Working Capital Fund.

Closing Adjustments

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

(a) deposits with utility companies and fees for assignable permits and licenses, if any;

(b) cost of supplies on hand at Sponsor's cost;

(c) premiums for transferable insurance policies;

Reserve Fund

There will be no reserve fund established by Sponsor. The Budget, as set forth in Schedule B, provides for the accumulation of reserves from common charges.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Prior to the first closing of a unit, the Condominium will enter into a one (1) year management contract with Cygnet Realty I LLC, 111 Brook Street, Second Floor, Scarsdale, New York, 10583, with an annual fee of $7,500. The managing agents duties will include, but are not limited to, the hiring, firing and general supervision of personnel attending to the property, the care, upkeep and maintenance of the common areas, maintenance of records relative to the operation of the premises, the collection of maintenance from the Unit Owners, meeting with the Board of Managers on a regular basis and advising and carrying out their decisions. The management contract may be terminated by either party on 30 days prior notice to the other. The Board of Managers is obligated to reimburse the managing agent for expenses incurred and to indemnify the managing agent against liability for acts properly performed by it pursuant to the management agreement. No representation is made as to the cost, terms of availability of any other management services if subsequent Boards of Managers may wish to retain another management company. The fee being charged is the market rate for such services. The management agreement may not be assigned by the agent.

No other contracts, agreements or obligations binding the Condominium will be in effect as of the closing of the first unit except the elevator maintenance contract which may be cancelled by either party on 30 days written notice.

IDENTITY OF THE PARTIES

Sponsor:

179 Ludlow Holding LLC, a New York limited liability company, with offices at 5600A Broadway, Bronx, New York 10463 is the Sponsor of this offering. 179 Ludlow Holding LLC was formed on March 31, 2011. Michael Goldberg, with an office at 5600A Broadway, Bronx, New York 10463, is the sole managing member of the Sponsor. Mr. Goldberg has been active in the renovation and management of residential multi-family properties in New York City for the past 15 years. Mr. Goldberg has no experience as a Selling Agent. Mr. Goldberg has made two prior offers of cooperative, condominium or homeowners association interests. Neither Sponsor nor Mr. Goldberg has prior bankruptcies, convictions or injunctions against them. Mr. Goldberg is the principal of the Sponsor of the offering for the St. Claire on Fifth Condominium, 2077 Fifth Avenue, New York. New York, (CD07-0219) and 3030 Middletown Road, Bronx, New York, (CD10-0075). All units at the St. Claire on Fifth Condominium have been sold. No units at 3030 Middletown Road have been sold and no units are being offered for sale at this time. The principal of Sponsor is current on all of its obligations to these condominiums.

Mr. Goldberg has experience as Selling Agent in the St. Claire on Fifth Condominium. He has no other experience as a Selling Agent.

Attorney for Sponsor:

Marshall S. Schiff, Esq., of Marshall S. Schiff, P.C., One North Broadway, White Plains, New York, represents the Sponsor in all matters pertaining to this offering plan. Marshall S. Schiff prepared the Offering Plan. Mr. Schiff will represent the Sponsor at unit closings.

Architect:

Joseph Kleinman, R.A. of Kleinman Architects, a licensed professional engineer in the State of New York (NYS License No. 020454), has acted as architect with regard to this offering. Mr. Kleinman has reviewed the plans for and supervised the construction of numerous residential and commercial structures in the New York metropolitan area for the past 10 years.

There is no relationship between the Sponsor and any person who will provide service to the Condominium subsequent to commencement of condominium operation.

Managing Agent:

Cygnet Realty I LLC., 111 Brook Street, Second Floor, Scarsdale, New York, 10583, will be the Managing Agent. They have managed properties in New York for over five years. They currently manage, among others, the following residential properties:

1. 2077 Fifth Avenue, New York, NY, 13 unit condominium

2. 1415-1417 Wythe Place, Bronx, NY, 60 Units
3. 2828 Valentine Avenue, Bronx, NY, 42 Units

REPORTS TO OWNERS

All Owners will be entitled to receive annually at the expense of the Condominium, copies of the following:

A. An income tax deduction statement prepared by an independent certified public accountant, on or before March 15th in each year.

B. An annual audited financial statement, prepared by an independent certified public accountant within four months of the closing of the fiscal year.

C. Notice of the holding of an annual Meeting for the purpose of electing a Board of Managers, pursuant to the By-Laws.

D. A copy of the proposed annual budget of the condominium within 15 days prior to the date set for the adoption thereof by the Board of Managers. While the Sponsor is in control fo the Board of Managers, such budget will be certified by an expert in compliance with the Attorney General's Regulations.

The aforesaid dates may be changed later pursuant to the By-Laws.

DOCUMENTS ON FILE

In accordance with Section 352-e(9) of the General Business Law, copies of this Offering Plan, all documents referred to in the plan and all Exhibits submitted to the Department of Law in connection with the filing of the offering plan shall be available for inspection by prospective purchasers without charge and by any person who shall have participated in the offering at 179 Ludlow Street, New York, New York, or other designated address and shall remain available for such inspection and for copying at a reasonable charge for a period of six years from closing.

GENERAL

This Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies are contained in Part II hereof of the Declaration Lease, By-Laws, Purchase Agreement and Power of Attorney.

There are no lawsuits, administrative proceedings or other proceedings, or any judgments outstanding, either against the Sponsor or any person or persons, which might materially affect this

offering, the property, Sponsor's capacity to perform all its obligations under the plan, the Condominium or the operation of the condominium.

This Plan is offered to persons over 18 years of age.

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that the Sponsor, and the Selling Agent, if any, will not discriminate against any person because of race, creed, color, sex, disability, marital status, national origin, ancestry or any other grounds prohibited by law in the sale of units offered by the Plan or in the leasing of any Unit in the Building.

The property is not the subject of any prior offerings or a market test pursuant to CPS-1

As of the date of the filing of this Plan, neither the Sponsor nor any representative or agent of the Sponsor, has raised funds or made any preliminary offering or binding agreement to or with prospective purchasers with respect to Units in the Building.

No contracts or agreements have been entered into an and deposits or advances of funds have been accepted as of the date the plan was accepted for filing.

All of the units offered in this Plan are vacant.

No person has been authorized to make any representation which is not expressly contained therein. This Plan may not be changed or modified orally.

If there is a substantial amendment to the Offering Plan that materially and adversely affects a purchase, Sponsor will grant subscribers a right of rescission and at least a fifteen (15) day period to exercise that right.

179 Ludlow Holding LLC
Sponsor

SPONSOR'S STATEMENT OF THE BUILDING CONDITION

The Sponsor has employed Joseph Kleinman, Registered Architect, to make a report on the physical condition of the building, the equipment, the units and the land on which the building stands as same will exist after completion of construction. In order to prepare said report, a visual inspection of the property and an examination of the filed building plans were made.

The Sponsor hereby adopts said report, contained in Part II, as his own and represents that, it knows of no material defects or need for major repairs to the property after completion of the construction.

The number of units offered is identical to that contained in the filed building plans and the proposed use is the same as the intended use in the certificate of occupancy which will be obtained prior to the first unit closing.

Sponsor will supply each unit with an operative smoke detector and carbon monoxide detector.

PART II

DOCUMENT NUMBER 1

PURCHASE AGREEMENT

_____,
Purchaser

with

179 Ludlow Holding LLC, Sponsor

For Unit Number ____ in
179 Ludlow Street Condominium

_____

PURCHASE AGREEMENT

For Unit Number in

179 Ludlow Street
New York, New York

(Please execute in quadruplicate)

THIS AGREEMENT is made as of _____, 2014 between 179 Ludlow Holding LLC (hereinafter called "Sponsor") having an office at 5041 Broadway, New York, New York 10034 and _____ (hereinafter called "Purchaser"), having an address _____ _____.

WITNESSETH;

1. Definitions

The following terms shall have the meanings ascribed to them:

(i) "Building" shall mean the building known as 179 Ludlow Street, New York, New York .

(ii) "Closing Date, "closing", "closing of title" and words of similar import are used synonymously and mean the settlement of the mutual obligations of Sponsor and Purchaser under this Purchase Agreement, including the payment to Sponsor of the Purchase Price and the delivery to Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in this Agreement.

(iii) "Condominium" shall mean 179 Ludlow Street Condominium.

(iv) "Declaration" shall mean the Declaration of 179 Ludlow Street Condominium establishing condominium ownership of the Property.

(v) "Plan" shall mean the Offering Plan to convert the Property to condominium ownership and any Amendments thereto filed prior to the date upon which Purchaser signs this Agreement.

(vi) "Property" shall mean the Building and the land on which it is erected.

All other terms not defined elsewhere herein shall have the meanings ascribed to them in the Plan.

2. Plan

Purchaser acknowledges having received and read the Plan at least three (3) full business days prior to Purchaser's signing this Purchase Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor (including, without limitation, amendments involving any changes, modifications, or updating of the estimate Common Charges, the estimated real estate taxes to be paid by Purchaser, or the "BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION" of 179 Ludlow Street Condominium Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset or credit against the Purchase Price and may be made by Sponsor without Purchaser's consent or approval. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. Purchaser acknowledges having had full opportunity to examine all documents, and investigate all statements, made herein and in the Plan.

3. Agreement to Purchase and Sell

Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell to Purchaser, the unit designated as unit Number_____(hereinafter called the "Unit") in the Declaration, together with its _____% undivided interest (hereinafter called the "Common Interest") in the Common Elements, on, and subject to, the terms and conditions set forth herein.

4. Purchase Price

A. The Purchase Price for the Unit (exclusive of closing adjustments and costs referred to in Paragraphs 13 and 14 below) is $_____ (hereinafter called the "Purchase Price"), which Purchaser agrees to pay to the Sponsor, as follows:

(i) $_____(hereinafter called the "Down Payment") is due on Purchaser's signing and submitting of this Agreement and is to be paid by Purchaser's personal check, receipt of which (subject to collection) is hereby acknowledged by Sponsor; and

(ii) $_____ (hereinafter called the "Balance"), constituting the balance of the Purchase Price, is due on the delivery to Purchaser of the deed to the Unit and must be paid by Purchaser's personal certified check or official cashier's check in either event drawn on a bank that is a member of the New York Clearing House Association.

B. The payment of the Balance and acceptance of deed to the Unit by Purchaser shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated

herein or in the Plan to be performed subsequent to the closing.

C. Purchaser is not required to pay the Balance or accept title to the Unit unless concurrently with, or prior to, closing, the Declaration of Condominium has been recorded.

5. Agreement Conditioned on Financing

This Agreement is conditioned upon the Purchaser's obtaining financing of not more than 80% of the Purchaser Price from a bank or other source. Purchaser shall have 45 days from receipt of a fully executed contract to obtain a mortgage commitment. In the event Purchaser is unable to obtain such a commitment within that time and Purchaser notifies Sponsor in writing of his or her inability to obtain financing within 20 days of such 45 day period, time being of the essence, Purchaser may cancel the contract and the downpayment will be immediately returned to Purchaser, with interest, if any.

6. Purchase Monies Held in Trust

Marshall S. Schiff, Esq., with an address at One North Broadway, White Plains, New York 10601, telephone number 914-997-6767, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Marshall S. Schiff. 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.

a. 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.

b. The Escrow Agent has established the escrow account at Signature Bank, located at 360 Hamilton Avenue, White Plains, New York 10601, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled 179 Ludlow Street Condominium ("Escrow Account"). The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

c. All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Marshall S. Schiff, as Escrow Agent.

d. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is currently .1%. Interest shall begin to accrue upon placing the Deposit into a sub account controlled by the Escrow Account. All interest earned thereon shall be paid to or credited to the Purchaser at closing. No fees of any kind may be

deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

e. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

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

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

h. Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an 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.

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

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

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

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

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (1) through (3) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If the Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and the Escrow Agent shall provide further written notice to both parties informing them of said release. If the Escrow Agent receives a written notice from either party objecting to the release of the Deposit within said thirty (30) day period, the Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraphs (a) through (c) above. Notwithstanding the foregoing, the Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the clerk of the county where the unit is located and shall give written notice to both parties of such deposit.

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

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

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

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

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

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

l. 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).

m. 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.

n. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

o. 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.

p. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Purchase Agreement.

q. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

q. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with this Purchase Agreement or the performance or non-performance of Escrow Agent's duties under this Purchase Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in this Purchase Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself

7. Closing Contingent on Plan Being Declared Effective

A. The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan as same may be amended from time to time. Purchaser understands and agrees that the 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 OF THE PLAN AND DATE OF CLOSING TITLE TO UNITS" for full details). The Sponsor shall notify Purchaser, in writing or by a duly filed Amendment to the Plan, when the Plan becomes effective or is abandoned.

B. If the Plan is abandoned, this Agreement shall be deemed cancelled and all monies paid by Purchaser hereunder shall be disbursed in accordance with the provisions of Paragraph 6 above. After the funds are so disbursed, Purchaser and Sponsor shall have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same shall be released and discharged from all liabilities

and obligations hereunder and under the Plan.

8. Closing Date and Place

A. The closing of title shall occur on the date and at the time and in the office of Marshall S. Schiff, P.C., One North Broadway, White Plains, NY 10601, or, in a place in the City and State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. Sponsor shall have the right, from time to time, to adjourn such date and time for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) business day's prior written notice of the new scheduled date and time for closing.

9. The Deed

At closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenant against grantor's acts transferring to Purchaser full ownership (fee simple title) to the Unit. The deed shall be substantially in the form reproduced as Document Number 8 in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Purchaser or Purchaser's attorney).

10. State of Title

Legal ownership to the Unit shall be transferred to Purchaser at closing subject only to the liens, encumbrances and title conditions (hereinafter called the "Permitted Encumbrances") enumerated in Exhibit A to this Agreement. Any other liens, encumbrances, or conditions shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to said representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for recording in the proper office, together with the requisite recording or filing fees; or (ii) Purchaser's title insurance company will insure Purchaser against its collection or enforcement out of the Unit.

11. Title Company Approval

Sponsor shall give, and Purchaser shall accept, such title as any licensed title insurance company doing business in the State of New York, including First American Title Insurance Company of New York, a member of the New York Board of Title Underwriters, through Madison Abstract Corp., 670 White Plains Road, Scarsdale, New York 10583 (914-725-7200) will approve and insure, provided the only liens, encumbrances and conditions affecting title shall be the Permitted Encumbrances.

12. Sponsor's Inability to Convey Title

In the event Sponsor is unable to deliver to Purchaser title to the Unit in accordance with the provisions of this Agreement, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of ½ of one percent of the total offering to render title marketable or to remove, cure or comply with any violations of record issued prior to the First Closing, and in such case, Sponsor may abandon the Plan.

13. Closing Adjustments

A. At closing, Sponsor and Purchaser shall apportion, as of midnight of the day preceding the closing:

(i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and any escrows for real estate taxes;

(ii) Common Charges for the month in which title closes; and

(iii) rent and other charges, if any, pursuant to a lease for, or tenancy of, the Unit.

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.

B. In the event the Unit has not been separately assessed for the then current fiscal tax year at the time of title closing, the apportionment of real estate taxes shall be based on the Unit's pro-rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. If the Unit has been separately assessed but the closing occurs before the tax rate is fixed, then the apportionment of real estate taxes shall be based upon the latest tax rate applied to the most recent assessed valuation.

C. Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing.

D. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

14. Purchaser's Closing Costs

At closing, Purchaser will pay certain costs in connection with the purchase of the Unit, in addition to the legal fees of Purchaser's counsel (if any) and the amount of any

net credit in favor of Sponsor that may result from the closing apportionments described in the preceding Paragraph 13. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior notice:

(i) If such Purchaser elects to obtain fee title insurance, he or she will pay a premium therefor to his or her title insurance company which will vary depending upon the amount of insurance requested. The premium for fee title insurance, as of the date the Plan was accepted for filing if ordered from Chicago Title Insurance Company, can be found in the Offering Plan under the section entitled "Closing Costs". However, Sponsor makes no representation or warranty as to the cost, terms, or availability of such other title insurance;

(ii) New York State transfer taxes.

(iii) New York City transfer taxes.

(iv) A fee for recording the deed and the Unit Owner's Power of Attorney.

(v) If Purchaser obtains a mortgage loan, Purchaser will pay:

(a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed;

(b) a mortgage recording tax in the amount provided for by law at the date of this Plan, the tax is 1.875% of the face amount of the mortgage);

(c) all costs and expenses in connection with such loan in amounts determined by the lender. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.

(vi) A closing fee of $2,500.00 to Sponsor's Counsel;

(vii) There will be an additional fee of $750.00 if the closing is held in Brooklyn or Queens and an additional fee of $1,000.00 if the closing is held in Richmond or Nassau Counties. If Purchaser does not close on the date designated for the transfer of title by the Sponsor, the Purchaser shall pay to Sponsor's Counsel a closing fee of $250.00 Further, if Sponsor offers mortgage financing and the same is accepted by Purchaser, or if the closing takes place out of the office of the Sponsor's attorney, additional closing costs of $250.00 for each such event will be incurred by the Purchaser.

(viii) If Purchaser has dealt with any broker other than the Selling Agent in connection with this purchase, then Purchaser will be required to pay a commission

to such broker unless Sponsor agrees otherwise in writing.

15. Sponsor's Closing Costs

At closing, Sponsor shall pay for the cost releasing the unit from any underlying mortgage.

16. Power of Attorney to Board of Managers and Sponsor

At closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or if no representative is present, then to Sponsor's attorney) for recording in the New York City Register's office of the County of New York, State of New York, a power of attorney in favor of the Board of Managers relative to purchasing or leasing of Units and in favor of Sponsor relative to amending the Condominium Documents to the extent permitted in the power of attorney. The power of attorney shall be substantially in the form set forth in Document Number 9 in Part II of the Plan. After being recorded, the power of attorney shall be sent to the Condominium Board. The Power of Attorney is limited in scope and generally permits the Sponsor to regroup space owned by Sponsor or to modify the declaration as required by a government agency or title company.

18. Transfer Tax Return

At closing, Sponsor and Purchaser shall each duly complete and sign before a Notary Public the transfer tax returns required to be filed with the City of New York and the State of New York. The transfer tax returns 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.

19. Events of Default

A. The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the Balance on the Closing Date designated by Sponsor pursuant to Paragraph 8 herein;

(ii) Purchaser's failure to duly sign, notarize and deliver at closing the power of attorney pursuant to Paragraph 16 above or the New York City and New York State transfer tax returns pursuant to Paragraph 17 above;

(iii) If Purchaser becomes a tenant of the Building, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations, which results in Purchaser's eviction from Purchaser's Unit (either by voluntary removal or

by court order); or

(iv) The failure to pay, perform or observe any of the Purchaser's other obligations hereunder, which is not cured within fifteen (15) days after the mailing of written notice specifying the nature of such default.

B. Upon the occurrence of an Event of Default, Sponsor's sole right shall be to cancel this Agreement by sending Purchaser thirty (30) days' prior written notice of its intention to do so. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which Purchaser must cure the specified default. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Down Payment (but in no event to exceed 10% of the Purchase Price of the Unit) plus the cost of any special work in the Unit ordered by Purchaser, without interest (unless interest is earned), (hereinafter called the "Liquidated Sum"), and any sums in excess thereof (together with any interest earned thereon) shall be returned to Purchaser promptly thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

C. Notwithstanding the occurrence of an Event of Default, Sponsor may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing Sponsor's right to recover from Purchaser damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, legal fees and costs of collection).

D. If Purchaser becomes a tenant of the Building and Purchaser fails to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations, or Purchaser vacates or abandons the leased premises, then such failure, vacating or abandonment (as the case may be) shall constitute a default hereunder entitling Sponsor, at its sole option, to cancel this agreement, even though Purchaser is not evicted from the leased premises as a result thereof. However, in the event Sponsor elects to so cancel, unless Purchaser is evicted, Sponsor shall refund to Purchaser all monies deposited hereunder together with any interest earned thereon. Upon such refund being made, Sponsor and Purchaser will be released and discharged of all further liability and obligations under this Agreement and the Plan. However, in no event shall Purchaser be released or excused from paying and performing Purchaser's lease or tenancy obligations.

20. Appliances and Equipment

A. At closing, the Unit will contain only those appliances, countertops, cabinets, sinks, vanities (if any), air conditioning units (if any), hardware and other fixtures and equipment currently installed therein or as otherwise set forth in this Plan. The Unit is

being sold unfurnished.

B. Furniture, wall coverings, furnishings, decoration and the like in or about any model apartment are for display purposes only and are not included in the sale. Any floor plans or sketches shown to Purchaser are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon.

C. There will be no modifications or extras unless agreed to in writing by the parties. All modifications, alterations and additions to the Unit must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expense (payable in the manner to be set forth in an addendum to this Agreement or separate agreement).

21. Acceptance of Condition of Building and Unit

A. The signing of this Purchase Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property, including the Building, the Unit and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter collectively called "Installations"), in their respective existing conditions, subject to reasonable use, wear and tear and natural deterioration between the date Purchaser signs this Agreement and delivery of the deed to Purchaser. Purchaser acknowledges having read, or having had ample opportunity to read, the Report of Robert Papazian set forth as Document Number 4 in Part II of the Plan, which sets forth a description of the Building. Purchaser understands that the Sponsor has no obligation to make any installations except as set forth in the Plan.

B. Purchaser shall be given a reasonable opportunity to examine the Unit prior to closing. In the event the Unit is substantially completed and provided a temporary or permanent certificate of occupancy for the Building or Unit is issued, Sponsor shall deliver to Purchaser a letter agreement wherein the Sponsor shall agree to complete all unfinished items within thirty (30) days from the date of the closing of title, weather permitting. Sponsor shall not hold any escrow for the completion of these items.

22. Possession; Risk of Loss

A. Purchaser shall not be entitled to occupy the Unit until the deed is delivered to Purchaser at closing. Sponsor may, in its discretion, grant Purchaser possession of the Unit prior to the closing under an interim lease.

B. If Purchaser is given possession of the Unit prior to closing under an interim lease or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in the Unit resulting from Purchaser's use of occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its installations. However, until

closing Sponsor will remain responsible to make those repairs required of it as a landlord under any existing or interim lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Documents.

Notwithstanding the foregoing, the risk of loss from fire or other casualty will remain with Sponsor unless or until a Purchaser takes actual possession of a unit pursuant to an interim lease or legal title to the unit has been conveyed to the Purchaser at which time the risk of loss not covered by insurance either obtained by the Sponsor or Condominium will be assumed by Purchaser. Purchaser should obtain insurance to cover such loss or damage to the unit upon taking possession of the unit or the closing of title to the unit, whichever is sooner.

C. If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guest, invitees or workmen. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

D. Except as provided in the preceding subparagraph C, all other risk of loss prior to closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage, this agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete or to permit the Condominium Board to complete such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received form insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing.

E. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, without interest (unless interest is earned), whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor

shall retain the Liquidated Sum pursuant to Paragraph 19 above.

23. Intentionally deleted.

24. No Representation

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or others, 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 or the estimated Common Charges and estimated real estate taxes for the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan; Purchaser having relied on Purchaser's own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor. No oral representation or statement shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform substantially to such Floor Plans and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 24 shall survive the closing of title.

25. Notices

All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by registered or certified mail, return receipt requested, postage prepaid and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Agreement and, if sent to Sponsor, 179 Ludlow Holding LLC, 5041 Broadway, New York, New York 10034 with a copy to Marshall S. Schiff, P.C., One North Broadway, White Plains, New York, 10601. Either party may, by written notice to the other, change the address to which notices are to be sent. Unless otherwise provided herein, all notices shall be deemed given when personal delivery is effected or when deposited in any branch, station or depository maintained by the U.S. Postal Service in the State of New York, except that a notice of a change of address shall be deemed given when actually received.

26. Broker

Purchaser represents to Sponsor that the Selling Agent and _____ is/are the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction. Sponsor agrees to pay

the commission due the Selling Agent (and Broker) pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent or named Broker, on account of any acts of Purchaser or of Purchaser's representatives. Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph 25 shall survive the closing.

27. No Lien; Agreement Subject to Mortgage

A. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default.

B. In furtherance and not in limitation of the provisions of the preceding subparagraph A, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent without the execution of any further legal documents by Purchaser. Sponsor shall at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date unless Purchaser assumes such mortgages. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

28. Entire Agreement

This Purchase Agreement , together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and Seller shall not be bound by any oral representations and/or agreements.

29. Joint Purchasers

The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

30. Liability of Sponsor

A. The Seller's liability under this agreement for failure to deliver title for any reasons other than Seller's willful default, shall be limited to the return of the money paid hereunder, and upon return of said money, this agreement shall be null and void and the parties hereto released from any and all liability hereunder.

B. 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.

31. 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.

32. Severability

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

33. Strict Compliance

Any failure by Sponsor to insist upon strict performance by Purchaser 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 Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

34. Governing Law

The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the Laws of the State of New York.

35. Waiver of Jury Trial

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, 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.

36. Gender

A reference to 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.

37. Certain References

The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Paragraphs, subparagraphs or other provisions are references to Paragraph, subparagraphs or other provisions of this Agreement.

38. Captions

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

39. Successors and Assigns

The provisions of this agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

40. No Oral Changes

This Agreement cannot be changed or any provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

41. Acceptance of Purchase Agreement

The submission of this Purchase Agreement by Purchaser does not constitute

a binding obligation on either Purchaser or Sponsor. No such binding obligation shall arise until duplicates of this Purchase Agreement are executed by and delivered to both Purchaser and Sponsor (or Sponsor's duly authorized agent). If, within twenty (20) days after the Sponsor (or Sponsor's duly authorized agent) receives this Purchase Agreement signed by Purchaser, a duplicate of this Agreement signed by Sponsor or its authorized agent is not sent or delivered to Purchaser, then it shall be deemed rejected and of no force or effect and all monies paid by Purchaser shall be promptly refunded, without interest. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry or other ground proscribed by law.

42. Agreement Not Assignable; Binding Effect

This Purchase Agreement shall bind and apply to Purchaser and Purchaser 's executors, administrators, legal representatives, heirs, successors and permitted assigns. This Purchase Agreement is not assignable.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Purchaser:

_____L.S.

_____L.S.

Purchaser's Address:

_____

Purchaser's Social Security No.

_____

Accepted & Agreed to:

By:_____

Authorized Agent

Dated Accepted:

_____

ESCROW AGENT:

_____

Marshall S. Schiff

PERMITTED ENCUMBRANCES

1. Any state of facts which an accurate survey might show, providing same do not render title unmarketable;

Exhibit B

LIMITED WARRANTY

Warranty No. _____

NAME OF PURCHASER/BUYER:
ADDRESS OF PURCHASER/BUYER:

ADDRESS OF UNIT WARRANTED: 179 LUDLOW STREET
NEW YORK, NEW YORK,
UNIT ___

NAME OF BUILDER/SELLER: 179 LUDLOW HOLDING LLC

ADDRESS OF BUILDER/SELLER: 5600A BROADWAY
BRONX, NEW YORK 10034

WARRANTY DATE: date of closing of title

BUILDER/SELLER'S LIMIT
OF TOTAL LIABILITY $100,000.00

THIS LIMIT WARRANTY EXCLUDES ALL CONSEQUENTIAL AND INCIDENTAL DAMAGES EXCEPT AS REQUIRED BY NEW YORK STATE LAW.

1. **TO WHOM GIVEN:** This Limited Warranty is extended to the Purchaser/Buyer named on page 1, while Purchaser/Buyer owns the Unit. It does not extend to subsequent owners of the Unit or other persons.

2. **BY WHOM MADE.** This Limited Warranty is made exclusively by the Builder/Seller whose name and address appear on page 1.

3. **FINAL INSPECTION OF THE UNIT.** Before the Purchaser/Buyer moves into the Unit or accepts the deed, the Builder/Seller will set up an appointment for final inspection of the Unit with the Purchaser/Buyer. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature such a mars, chips, dents, cracks or scratches that may have occurred during the final stages or finishing the Unit, or any unfinished work caused by back-orders beyond the Builder/Seller's control. The Builder/Seller may also point out other defects known to have occurred during the construction process and that remain uncorrected at the time of the inspection.

All defects or flaws found on final inspection of the Unit will be itemized on a Final Inspection Sheet, which may include a time schedule for each item that will be corrected. The Final Inspection Sheet will be signed by the Purchaser/Buyer and the Builder/Seller before occupancy of the Unit or transfer of the deed.

When the Purchaser/Buyer moves into the Unit or accepts the deed, the Builder/Seller's responsibility is limited to:

(a) completion of items shown on the Final Inspection Sheet, as provided in the Final Inspection Sheet, and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as listed below. The purpose of the Limited Warranty is to identify the Builder/Seller's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Unit.

4. **LIMITED WARRANTY.** THIS LIMITED WARRANTY EXCLUDES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE UNIT AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF.

5. **WARRANTY COVERAGES AND PERIODS.** The Warranty Period for all coverages begins on the Warranty Date shown on page 1. (This Warranty Date is the date that the Purchaser/Buyer, or member of the Purchaser/Buyer's family, takes title to the Unit or any person begins residential occupancy of the Unit, whichever date is earlier.) It ends at the expiration of the coverages shown below:

BASIC COVERAGE:

for one (1) year from the Warranty Date, the Unit will be free of latent defects that constitute:

(a) defective workmanship performed by the Builder/Seller, an agent of the Builder/Seller or subcontractor of the Builder/Seller;

(b) defective materials provided by the Builder/Seller, an agent of the Builder/Seller or subcontractor of the Builder/Seller; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Builder/Seller.

Workmanship, materials and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for units in New York City, the Building Code of the City of New York) or if they fail to meet the Accepted Standards (if any) which are attached to this Limited Warranty.

For one year from the Warranty Date, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Builder are warranted to be free from latent defects that constitute defective installation by the Builder.

Installation will be considered to be defective if the Builder's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code or the Building Code of the City of New York.

The Plumbing System means: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; water, gas and sewer service piping, and their disposal system from the point they enter the Unit.

The Electrical System means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System means: all duct work, water and refrigerant lines, registers, convectors, radiation elements and dampers that are not part of the common elements.

All systems are exclusive of appliances, fixtures and items of equipment.

For one year from the Warranty Date, the Unit will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

(a) defective workmanship performed by the Builder, an agent of the Builder or subcontractor of the Builder;

(b) defective materials provided by the Builder, an agent of the Builder or subcontractor of the Builder; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged by the

Builder.

Workmanship, materials and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention Code and Building Code of if they fail to meet the Building Code of the City of New York.

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions of the Unit caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

Damage to the following non-load bearing portions of the Unit do not constitute a Material Defect for the Material Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; insulation.

6. **EXCLUSIONS FROM ALL COVERAGES:** The following are excluded from the Basic Coverage:

(a) Loss or damage caused by workmanship performed by any person other than (i) the Builder/Seller, (ii) an agent of the Builder/Seller, or (iii) a subcontractor of the Builder/Seller;

(b) Loss or damage caused by defective materials supplied by any person other than (i) the Builder/Seller, (ii) an agent of the Builder/Seller, or (iii) a subcontractor of the Builder/Seller;

(c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Builder/Seller.

(d) Patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Unit prior to acceptance of the deed or occupancy of the Unit ought to have revealed;

(e) All portions of the common elements of the condominium or any other improvements not a part of the Unit itself;

(f) Paragraph 6(f) has been deliberately omitted ;

(g) Damage to real property which is not a part of the Unit covered by this Limited Warranty and which is not included in the purchase price of the Unit;

(h) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance or improper operation by

anyone other than the Builder/Seller, its employees, agents or subcontracts; or

(ii) failure by the Purchaser/Buyer or anyone other than the Builder/Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser/Buyer to give notice to the Builder/Seller of any defects or damage within a reasonable time; or

(iv) changes in the grading of the ground by anyone other than the Builder/Seller, its employees, agents or subcontractors; or

(v) changes, alterations or additions made to the Unit by anyone after the Warranty Date shown on page 1; or

(vi) dampness or condensation due to failure of the Purchaser/Buyer or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Unit;

(j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightening, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable changes in the underground water table;

(k) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damage which the unit owner has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage.

(p) Bodily injury or damage to personal property.

(q) Failure of the Builder/Seller to complete construction of the Unit.

(r) Loss or damage which arises while the Unit is being used primarily for non-residential purposes.

(s) Loss or damage due to abnormal loading on floors by the unit owner

which exceed design loads as mandated by the Building Code.

(t) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair.

(u) Consequential damages (except where required by state law).

(v) Any claim not filed in a manner set forth below in paragraph 8, "Step-by-Step Claims Procedures".

7. **WARRANTY.** If a defect occurs in an item covered by this Limited Warranty, the Builder/Seller will repair, replace or pay the Purchaser/Buyer the reasonable cost of repairing or replacing the defective item (s) within a reasonable time after the Builder/Seller's inspection or testing discloses the problem. The choice among repair, replacement or payment is solely that of the Builder/Seller.

In no event will the Builder/Seller's total liability for deficiencies under this Limited Warranty exceed the Builder/Seller's Limit of Total Liability, shown on page 1.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to (i) the repair of damage to the load-bearing portions of the Unit themselves which is necessary to restore their load-bearing function; and (ii) the repair of those items of the Unit damaged by the Major Structural Defect which made the Unit unsafe, unsanitary or otherwise unlivable.

When the Builder/Seller finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must be signed and delivered to the Builder/Seller.

8. **STEP-BY-STEP CLAIMS PROCEDURES.**

(a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Builder/Seller, identified on page 1, no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Builder/Seller by that deadline, the Builder/Seller will have no duty to respond to any complaint or demand, and any or all claims may be rejected. NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED LIABILITY.

(b) No steps taken by the Builder/Seller, Purchaser/Buyer or any other person to inspect, test, or correct defects will extend any time period under this Limited Warranty. The Builder/Seller's response to any complaint or request, other than a timely and properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Builder/Seller, including but not limited to the Builder/Seller's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser/Buyer , the Builder/Seller and the Builder/Seller's agents will have the right to inspect and test the portion of the Unit to which the claim, complaint or request relates. The Purchaser/Buyer and occupants of the Unit must provide reasonable access to the Builder/Seller and the Builder/Seller's agents during the normal business hours to complete inspection, testing and repair or replacement.

(d) The Builder/Seller will complete inspection and testing within a reasonable time under

the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Builder/Seller will determine whether to accept or reject the claim. If the Builder/Seller rejects the claim, the Builder/Seller will give written notice of that decision to the claimant at the address shown on the Notice of Claim Form. If the Builder/Seller accepts the claim, the Builder/Seller will take corrective action within a reasonable time under the circumstances and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Claim Form. The Builder/Seller will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to weather conditions, Acts of God, availability of materials and other events beyond the Builder/Seller's control.

9. **LEGAL ACTIONS.**

(a) No claim or cause of action under this Limited Warranty may be commenced or

asserted in any suit, action or other legal proceeding against the Builder/Seller in any Court or forum unless notice of the claim or cause of action has been received by the Builder/Seller via a timely received and properly completed Notice of Warranty Claim Form as provided in paragraph 8 above.

(b) No suit, action or proceeding against the Builder/Seller under this Limited

Warranty may be commenced in any Court or forum after the later of: (i) the date of expiration of the applicable warranty coverage under paragraph 5 of this Limited Warranty, or (ii) sixty (60) calendar days after the Warrantor has given written notice of rejection of claim or completion of corrective action as provided in clause 8(d) above.

10. **GENERAL PROVISIONS.**

(a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Builder/Seller and the

Purchaser/Buyer , their heirs, executives, administrators, successors and assigns.

(c) Should any provision of the Limited Warranty be deemed unenforceable by a court

of competent jurisdiction, the determination will not affect the enforceability of the remaining

provisions.

(d) Use of one gender in this Limited Warranty includes all other genders, and use of the plural includes the singular, as may be appropriate.

(e) This Limited Warranty is to be governed in accordance with the Laws of New York State.

_____
Builder/Seller

_____
Purchaser/Buyer

_____
Purchaser/Buyer

NOTICE OF WARRANTY CLAIM

Dear Unit Owner:

To ask the Builder/Seller to correct a defect in your Unit that you think is covered by the Builder/Seller's Limited Warranty, you must complete this form and deliver it to the Builder/Seller. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Builder/Seller is aware of the problem, fill out this form and deliver it to the Builder/Seller.

The information you will need to fill out the form will be on page 1 of the Limited Warranty. However, if you do not know the answers to any questions, write "Don't Know".

Your Name: _____

Mailing Address: _____

_____

Phone: _____

Limited Warranty No.: _____

Warranty Date: _____

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem:

_____ _____

Signature Date

_____ _____

Signature Date

AFFIDAVIT

STATE OF NEW YORK)
)ss.:
COUNTY OF)

_____ and _____
_____ each being duly sworn, deposes and says:

That (he)(she) is the Purchaser in the above named real estate transaction; that each acknowledges that a reasonable inspection was made at the "New Unit" immediately prior to the closing of title.

That construction has been completed in a workmanlike manner without defects except as specified in the Final Inspection Sheet ("Punch List") attached hereto.

_____

_____

Sworn to before me

this day of , 200 .

_____

EXHIBIT

ARTICLE 36-B—WARRANTIES ON SALE OF NEW HOMES

Section
777. Definitions.
777-a. Housing merchant implied warranty.
777-b. Exclusion or modification of warranties.

Cross References

Warranties on mobile homes, see General Business Law § 720 et seq.

§ 777. Definitions

As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unliveable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided or leased continuously for three

years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:

a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. in the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

(Added L.1988, c. 709, § 1.)

Historical and Statutory Notes

L.1988, c. 709 legislation

L.1988, c. 709, § 3, provides:

"This act [adding this article and amending CPLR 213] shall take effect on the first day of March next succeeding the date on which it shall have become a law [March 1, 1989] and shall apply to new homes for which contracts of sale are entered into on and after such effective date."

Law Review and Journal Commentaries

Developer's liability: New York's implied warranty in contracts for the sale of new homes. Spector and Dannenberg, 61 N.Y.St.B.J. 32 (Nov. 1989).

New York housing merchant warranty statute: Analysis and proposals. 75 Cornell L.Rev. 754 (1990).

Research References

ALR Library

101 ALR 5th 447, Validity, Construction, and Application of New Home Warranty Acts.

1 ALR 3rd 914, What Statute of Limitations Governs Action by Contractee for Defective or Improper Performance of Work by Private Building Contractor.

Encyclopedias

NY Jur. 2d, Real Property Sales & Exchanges § 63, Generally; Definitions.

NY Jur. 2d, Real Property Sales & Exchanges § 64, Operation and Effect.

NY Jur. 2d, Real Property Sales & Exchanges § 65, Exclusion or Modification.

Forms

New York Forms Legal and Business § 9D:31, Introductory Comments.

New York Forms Legal and Business § 9D:59, New Home Warranties.

McKinney's Forms, Civil Practice Law & Rules § 6:78, Affirmation in Support of Motion for Protective Order Suspending Disclosure, or for a Stay of Disclosure, Pending Appeal (Form: N.Y. C.P.L.R. 2201, 3103).

McKinney's Forms, Real Property Practice § 3:160, Implied Warranty as to Defects in New Home.

Treatises and Practice Aids

New York Condominium & Cooperative Law 2d Ed. § 5:14, Implied Warranty in New Home Sales.

§ 777-a. Housing merchant implied warranty

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

(Added L.1988, c. 709, § 1.)

Historical and Statutory Notes

L.1988, c. 709 legislation

L.1988, c. 709, § 3, provides:

"This act [adding this article and amending CPLR 213] shall take effect on the first day of March next succeeding the date on which it shall have become a law [March 1, 1989] and shall apply to new homes for which contracts of sale are entered into on and after such effective date."

Library References

Antitrust and Trade Regulation ⇐204.

Sales ⇐246.

Westlaw Topic Nos. 29T, 343.

C.J.S. Credit Reporting Agencies; Consumer Protection §§ 45 to 46, 59.

C.J.S. Sales §§ 421 to 423, 442.

Research References

ALR Library

101 ALR 5th 447, Validity, Construction, and Application of New Home Warranty Acts.

10 ALR 4th 385, Liability of Builder of Residence for Latent Defects Therein as Running to Subsequent Purchasers from Original Vendee.

Encyclopedias

NY Jur. 2d, Consumer & Borrower Protection § 462, Definitions.

NY Jur. 2d, Damages § 121, in Contract Actions—Period of Accrual.

NY Jur. 2d, Limitations & Laches § 163, Action for Property Damage from Breach of Warranty—Breach of Statutory Warranty With Purchase of New House.

NY Jur. 2d, Real Property Sales & Exchanges § 61, Generally; Express Warranty.

NY Jur. 2d, Real Property Sales & Exchanges § 62, Implied Warranty.

NY Jur. 2d, Real Property Sales & Exchanges § 63, Generally; Definitions.

NY Jur. 2d, Real Property Sales & Exchanges § 64, Operation and Effect.

NY Jur. 2d, Real Property Sales & Exchanges § 65, Exclusion or Modification.

Forms

Carmody-Wait, 2d § 13:129, Generally; Exceptions to Operation of General Statute.

Carmody-Wait, 2d § 13:156, Action for Property Damage from Breach of Warranty—Action for Damages Caused by Breach of Housing Merchant Implied Warranty.

New York Forms Legal and Business § 9D:31, Introductory Comments.

DOCUMENT NUMBER 2

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as

179 Ludlow Street
New York, New York

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name: 179 LUDLOW STREET CONDOMINIUM

Sponsor: 179 Ludlow Holding LLC

Date of Declaration: _____, 2014

Prepared by: Marshall S. Schiff, Esq.
One North Broadway
White Plains, New York 10601
The land affected by the within instrument lies in Block 412, Lot 26, County of New York, City of New York and State of New York.

INDEX TO DECLARATION

PART I

Article	Subject
1	Definitions
2	Submission of the Property
3	Name of Condominium
4	The Land
5	The Building
6	The Units
7	The Common Elements
8	Determination of Common Interests
9	Use of Units
10	Easements for the Enjoyment of Common Elements
11	Other Easements
12	Alterations, Additions, Improvements and Charges to Unsold Units
13	Acquisition of Units by the Condominium Board
14	Power of Attorney to Sponsor and the Condominium Board
15	Termination of Condominium
16	Covenant of Further Assurances
17	Covenants of Run With the Land
18	Amendments to this Declaration
19	Consents of Sponsor
20	Person to Receive Service
21	Incorporation by Reference
22	Waiver
23	Severability
24	Successors and Assigns
25	Gender
26	Captions

PART II

Exhibit	Subject	
A	Description of the Land	
B	Description of the Units	
C	Table of Definitions	
D	By-Laws	*
E	Unit Owner's Power of Attorney	**

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* Reproduced in full as Document Number 6
** Reproduced in full as Document Number 9

DECLARATION
OF
179 LUDLOW STREET CONDOMINIUM

(Pursuant to Article 99-B of the Real
Property Law of the State of New York)

179 Ludlow Holding LLC, having an office at 5600A Broadway, Bronx, New York 10463 (hereinafter referred to as "Sponsor"), does hereby declare as follows:

PART I

Article 1

Definitions

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which the same are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Article 2

Submission of the Property

Sponsor hereby submit the Property to the provisions of the Condominium Act and, pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

Article 3

Name of Condominium

The Condominium shall be known as 179 Ludlow Street Condominium.

Article 4

The Land

The Land, which is located in the Borough of Manhattan, County of New York, City and State of New York and is more particularly described in Exhibit A annexed herein, is owned by Sponsor in fee simple absolute.

Article 5

The Building

The Building is seven stories high with a cellar. The building is composed of concrete slab floors with poured concrete beams and columns with formed openings in the floors where required by design. Shafts for the stairs, plumbing and ventilation will be composed of metal stud and gypsum board assemblies. The interior partitions are metal stud and gypsum on all floors, except the cellar, which use concrete masonry unit (CMU) partitions. The exterior party (north and west side) walls are composed of 8" CMU with stucco over the exposed areas. The exterior facade south and east are composed of 6" metal studs with a facing of both brick and precast panels of cast stone finish. The interior (north and west side) walls are composed of 6" metal studs with a facing of both brick and architectural stucco. Windows are thermally broken aluminum with insulated glass casement as well as fixed pane. Fire Protection provided in accordance with a Class "1C" fireproof building. The foundation are of poured in place reinforced continuous concrete spread footings with poured concrete walls to the top of the cellar level. The roof is covered with a four ply roof membrane. The Building was erected on the Land from 2008 to 2014.

Article 6

The Units

(a) Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its designation number; (ii) its tax lot number; (iii) its approximate location in the Building; (iv) its approximate area; (v) the number of rooms contained therein: (vi) the portions of the Common Elements to which such Unit has immediate access; and (vii) the Common Interest appurtenant to such Unit. The precise location of each Unit within the Building is shown on the Floor plans.

(b) Each Unit consists of the area measured horizontally between the hidden (unexposed) surface of the plaster walls enclosing such Unit and the area measure vertically from the top of the wood floor to the underside of the plaster ceiling. However, any Common Elements located within a Unit shall not be considered a part of such Unit.

(c) Each Unit includes: (i) the front entrance door and any other entrance doors to such Unit; (ii) the interior walls, partitions and floor coverings and plastered ceilings

affixed, attached, or appurtenant to such Unit; (ii) all windows (including, without limitation, their panes, casements and frames) located within, or opening from, such Unit; (iv) all equipment, fixtures and appliances (including, without limitation, heating and cooling equipment, plumbing facilities, sinks, bathtubs, waterclosets, refrigerators, ovens, ranges, dishwashers and any other appliances) affixed, attached, or appurtenant to such Unit; and (v) all other Facilities affixed, attached, appurtenant to such Unit and benefitting only that Unit.

(d) Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, 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 of such Unit or of the Building.

Article 7

The Common Elements

(a) The Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intention to limit the generality of the foregoing in any respect, the Common Elements include:

(i) the Land;

(ii) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, roofs, and ceilings in, on or under the Building, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof;

(iii) all hallways, corridors, lobbies, vestibules, basements and cellars (except to the extent that Units are located on such levels), yards, storage spaces, garages, common laundry spaces, mail rooms, mail boxes, stairs, stairways, elevator shafts and pits, other mechanical and electrical equipment spaces, devoted to the lodging or use of the superintendent or other persons employed in connection with the operation of the Property and entrances to, and exits from, the Building;

(iv) all central and appurtenant installations and Facilities for service such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, ventilation, air-conditioning, garbage disposal, master and cable

television and other mechanical and electrical systems to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof; and

(v) All other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

(b) The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or decision thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

Limited Common Elements

(a) Certain portions of the common elements are limited in use to specified Unit Owners, subject to the right of the Board of Managers to enter upon any such limited area for maintenance, repair or improvement of a Unit or common element and subject to the rules of the Board of Managers. Any portion of the common elements which is not limited in use may be used by any Unit Owner subject to the rules and regulations promulgated by the Board of Managers. The limited common elements are not subject to partition nor are they severable from the Units except in accordance with the Real Property Law. Balconies and Private Roof Areas are limited common elements appurtenant to units as set forth in Schedule B.

Article 8

Determination of Common Interests

The Common Interest of each Unit in the Common Elements shall be in the approximate proportion that the floor area of the Unit bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements, pursuant to the terms of the Condominium Act.

Article 9

Use of Units

(a) As more particularly set forth in the By-Laws, except for the Medical Unit which may be used for any medical purpose allowed by law, each Unit may be used only as a residence, and not more than one family may occupy a Unit at one time. A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may

be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary or by a principal or employee of such other entity, respectively or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Upon the prior written consent of the Condominium Board any Unit may be used as a professional office, provided, however, that such use is permitted by Law and does not violate the terms and conditions of the then existing certificate of occupancy for such Unit. Units may be leased only in accordance with the By-Laws and the Rules and Regulations.

(b) Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Sponsor may, without the consent of the Condominium Board of other Unit Owners: (i) grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided, however, that such use is permitted by Law and does not violate the then existing certificate of occupancy for such Unit; (ii) use any Unsold Units as model units and offices for the selling, renting, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law; and (iii) lease any Unsold Units to third parties for their occupancy. Further, the commercial unit may be used for any purpose allowed by law.

(c) The Commercial Unit may be used for any legal purpose.

Units may be leased only in accordance with the By-Laws and the Rules and Regulations.

Article 10

Easements for the Enjoyment of Common Elements

(a) Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Unit Owners, all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements, and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

(b) Notwithstanding anything to the contrary contained in paragraph (a) hereof, Sponsor and its successors, assignees, invitees, licensees, contractors, employees,

agents and tenants shall have an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units and shall have the right to use any one or more Unsold Units as sales, rental and/or management offices and/or as model units. Such Unsold Units shall remain Units within the meaning of this Declaration, the By-Laws and the Condominium Act, and shall not comprise a part of the Common Elements. In addition, Sponsor reserves the right, to the extent permitted by Law, to use one or more portions of the Common Elements, as designated by Sponsor in its sole discretion, for sales, rental, or display purposes, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the Building (including the exterior walls thereof) and the Property.

Article 11

Other Easements

(a) Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located, in over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Element and utility distribution system serves, or is necessary to the service of, his or her Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right to access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building.

(b) Sponsor reserves for itself, for so long as it shall own any Unsold Unit(s), and grants the Condominium Board, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor 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; provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agents, shall have the right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

(c) 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.

(d) If (i) any portion of the Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or (ii) any such encroachment shall hereafter occur as a result of (x) the settling or shifting of the Building, (y) any repair or alteration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent of, the Condominium Board, by Sponsor or Sponsor's designee, or (z) any repair or restoration made to the Building or any portion thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the affected Unit or Common Element shall stand.

(e) In addition to the specific easements set forth in this Article 1 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

Article 12

Alterations, Additions, Improvements and Changes to Unsold Units

Except to the extent prohibited by Law, Sponsor or its designee shall have the right, without the consent or approval of the Condominium Board the Unit Owners, the Selling Agent, the Managing Agent, or the Mortgage Representatives, if any, to:

(i) make alterations, additions, or improvement, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units;

(ii) change the layout of, or number of rooms, in any Unsold Units;

(iii) change the size and/or number of Unsold Units by (w)

subdividing one or more Unsold Units into two or more separate Units, (x) combining two or more separate Unsold Units (including, without limitation, those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls of any Unsold Units, or (2) otherwise, and

(iv) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clause (iii) their respective Common Interest;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon an Unsold Unit;

(1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(2) Sponsor or its designee shall comply with Law;

(3) Sponsor or such designee shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(4) such alteration, addition, improvement, or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amount of the Common Interests of all of the Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at Sponsor's election, by Sponsor, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of Sponsor or its designee.

Article 13

Acquisition of Units by the Condominium Board

If (i) any Unit Owner surrenders his or her Unit, together with its Appurtenant Interests, to the Condominium Board pursuant to the terms of the By-Laws or of Section 339-X of the Condominium Act or (ii) the Condominium Board, pursuant to the terms of the By-Laws or otherwise, either (x) acquires or leases a Unit, together with its Appurtenant Interests or (y) purchases a Unit, together with its Appurtenant Interests, at foreclosure or other similar

sale, then, in any such event, title or the leasehold estate, as the case may be, in and to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to the respective Common Interests.

Article 14

Power of Attorney to Sponsor and the Condominium Board

(a) Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in fact, coupled with an interest and with power of substitution, (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 18 hereof and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(x) acquire or lease any Unit, together with its Appurtenant Interests, (1) whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(y) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(z) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

(b) In confirmation of the foregoing power of attorney, each Unit Owner upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register Office, a Unit Owner's Power of Attorney in the form set forth in Exhibit E to this Declaration.

Article 15

Termination of Condominium

The Condominium shall continue until terminated by (i) casualty, loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of the Condominium Act by a vote of at least eighty percent of all Unit Owners, both in number and in aggregate Common Interests. No such vote under clause (ii) in the preceding sentence shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. Sponsor will not vote the aggregate Common Interests appurtenant to the Unsold Units for such withdrawal unless at least eighty percent, both in number and in aggregate Common Interests, of all other Unit Owners so elect for such withdrawal, at which time Sponsor may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event that said withdrawal is authorized as aforesaid, but only in such event the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such net proceeds, a liens on the Unit Owner's Unit, in the order or priority of such liens.

Article 16

Covenant of Further Assurances

(a) Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(b) If any Unit Owner or any other person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney in fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(c) If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any

action that the Condominium Board, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of Sponsor, then Sponsor is hereby authorized as attorney in fact for the Condominium Board, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person, as the case may be.

Article 17

Covenants to Run With the Land

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 17, 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 thereof shall be binding upon, and shall 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 and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended form 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, conveyance, or lease.

(b) If any provision of this Declaration or of 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 shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein and for the 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 that 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 purpose of submitting the Property to the provisions of the Condominium Act.

(c) Subject to the terms of paragraph (b) of this Article 17, 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 shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other 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 18

Amendments to this Declaration

(a) Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Sponsor or its designee of any Unsold Units, any provision of this Declaration may be amended, modified, added to, or deleted by the vote of at least 66-2/3% of all Unit Owners, both in number and in aggregate Common Interests, taken in accordance with the provisions of the By-Laws. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Sponsor or its designee or any Unsold Units, no amendment, modification, addition, or deletion pursuant to the preceding sentence shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. No such amendment, modification, addition, or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Sponsor 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, which power shall be deemed to be coupled with an interest, and the Condominium Board is hereby authorized by the Unit Owners so to act as their attorney in fact. Subject to the rights of Sponsor or its designee under Articles 9, 10, 11, 12, 14 and 15 of this Declaration, Articles 9, 10, 11, 12, 14 and 15 of this Declaration may not be amended, modified, added to, or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) eighty percent, both in number and in aggregate Common Interests, of all Unit owners affected thereby approve such amendment, modification, addition, or deletion in the manner set forth above.

(b) Sponsor or its designee shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at

Sponsor's such designees' sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as Sponsor or such designee deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor or such designee in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a 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 Sponsor to insure title to any Unit.

provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this paragraph shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in subparagraph (3) of this paragraph shall consent thereto by joining in the execution of such amendment.

(c) Any amendment to this Declaration may be executed: (i) if on behalf of Sponsor pursuant to the terms of paragraph (b) hereof, by Jose Espinal or (ii) if on behalf of the Unit Owners or by the Condominium Board, by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium. 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 in the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

(d) Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be adopted for so long as Sponsor or its designee owns any Unit if the same would (i) unreasonably interfere with the sale, lease, or other disposition of a Unit owned by Sponsor or such designee; (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit reserved to Sponsor or such designee; or (iii) impose any discriminatory charge or fee against Sponsor or such designee.

(e) The provisions of this Article 18 may not be modified, amended, added to, or deleted, in whole or in part, without the consent of Sponsor or its designee.

Article 19

Consents of Sponsor

Wherever the consent, approval, satisfaction, or permission of Sponsor or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor or such designee no longer owns any Units.

Article 20

Person to Receive Service

179 Ludlow Holding LLC, 5041 Broadway, New York, New York or any Successor Managing Agent, is hereby designated to receive service of process in any action that may be brought against the Condominium.

Article 21

Incorporation by Reference

The terms, covenants, conditions, description and other information contained in (i) the Property description annexed hereto as Exhibit A; (i) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owner's Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof.

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, regardless of the number of violations or breaches that may occur.

Article 23

Severability

Subject to the provisions of paragraphs (b) and (c) of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Persons

or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

Article 24

Successors and Assigns

The rights and/or obligations of Sponsor as set forth shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with consent of Sponsor or, with consent of Sponsor, any transferee of all of the then Unsold Units. Subject to the foregoing, Sponsor shall have the right, at any time, its sole discretion, to assign or otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment, or otherwise.

Article 25

Gender

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.

Article 26

Captions

The index hereof and the captions herein inserted are included on as a matter of convenience and for reference, and in no way define, limit, describe the scope of this Declaration or the intent of any provision hereof.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to executed as of the _____ day of _____, 2014.

179 Ludlow Holding LLC

By:_____
Michael Goldberg

STATE OF NEW YORK)
ss.:
COUNTY OF New York)

On the day of in the year before me, the undersigned personally appeared Michael Goldberg, 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 his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

EXHIBIT C TO THE DECLARATION OF

179 LUDLOW STREET CONDOMINIUM

DEFINITIONS

(1) Intentionally deleted.

(2) "Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

(3) "Building" shall mean the building situated on the Land and known as 179 Ludlow Street, New York, New York.

(4) "By-Laws" shall mean the By-Laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof.

(5) "Common Elements" shall mean those certain portions of the Land and the Building (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in Article 7 of the Declaration.

(6) "Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), to meet the Common Expenses.

(7) "Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s): (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to

be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium.

(8) "Common Interest" shall mean the undivided percentage interest of each Unit in the Common Elements.

(9) "Condominium" shall mean 179 Ludlow Street Condominium established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

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

(11) "Condominium Board" shall mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Articles 2 and 4 of the By-Laws.

(12) "Condominium Documents" shall mean the Declaration, the By-Laws and the Rules and Regulations.

(13) "Declaration" shall mean the declaration executed by Sponsor for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof.

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

(15) "Family Members" shall mean the spouse, children (natural and adopted), stepchildren, siblings, parents, parents-in-law and grandparents of the Unit Owner

who reside in such Unit Owners's Unit.

(16) "First Closing" shall mean the first date upon which title to a Unit is conveyed to a purchaser pursuant to the terms of the Plan.

(17) "Floor Plan" shall mean the floor plans of the Units certified by Robert Papazian, RA, and filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

(18) "Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with purchasers under the Plan to Units having more than fifty percent of the aggregate Common Interests appertaining to all Units or (ii) five years after the First Closing.

(19) "Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

(20) "Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or its designee or an Institutional Lender.

(21) "Insurance Trustee" shall mean a bank or a trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000.00 or more, from time to time appointed to serve as such by the Condominium Board.

(22) "Land" shall mean that certain tract, plot, piece and parcel of land situate, lying and being in the City of New York, County of New York and State of New York, as more particularly described in Exhibit A to the Declaration.

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

(24) "Managing Agent" shall mean a Person employed by the Condominium Board pursuant to paragraph (C) Section 2.6 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium Board shall delegate, subject to the limitations contained in paragraph (D) of Section 2.6 of the By-Laws.

(25) "Majority of Unit Owners" shall mean those Units Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

(26) "Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of paragraph (B) of Section 8.6 of the By-Laws.

(27) "Permitted First Mortgage" shall mean a Permitted Mortgage that is a first mortgage lien against a Unit.

(28) "Permitted First Mortgagee" shall mean any holder of a Permitted First Mortgage.

(29) "Permitted Mortgage" shall mean any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

(30) "Permitted Mortgagee" shall mean any holder of a Permitted Mortgage at the time in question.

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

(32) "Plan" shall mean that certain offering plan to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

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

(34) "Clerk's Office" shall mean the office of the New York County Clerk.

(35) "Rules and Regulations" shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

(36) "Selling Agent" shall mean any Person employed by Sponsor or its

designee in connection with the sale, renting, management, operation and/or promotion of the Unsold Units.

(37) "Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with paragraph (C) of Section 6.1 of the By-Laws.

DOCUMENT NUMBER 3

EXHIBIT D TO THE DECLARATION OF 179 LUDLOW STREET CONDOMINIUM

BY-LAWS

BY-LAWS

OF

179 LUDLOW STREET CONDOMINIUM

City of New York, County of New York and State of New York

_____, 2014

MARSHALL S. SCHIFF, P.C.
One North Broadway
White Plains, New York 10601

INDEX TO BY-LAWS

ARTICLE I

GENERAL

Section 1.1 Purpose

Section 1.2 Definitions

Section 1.3 Applicability of By-Laws

Section 1.4 Application of By-Laws

Section 1.5 Principal Office of the Condominium

ARTICLE 2

BOARD OF MANAGERS

Section 2.1 General

Section 2.2 Status of the Condominium Board

Section 2.3 Principal Office of the Condominium Board

Section 2.4 Powers and Duties of the Condominium Board

Section 2.5 Certain Limitations on the Powers of the Condominium Board

Section 2.6 Exercise and Delegation of Powers and Duties

Section 2.7 Number, Election and Qualification of Members

Section 2.8 Term of Office of Members

Section 2.9 Removal and Resignation of Members

Section 2.10 Vacancies

Section 2.11 Organizational Meeting of the Condominium Board

Section 2.12 Regular Meetings of the Condominium Board

Section 2.13 Special Meeting of the Condominium Board

Section 2.13 Waiver of Notice of Meetings

Section 2.15 Quorum of the Condominium Board

Section 2.16 Conduct of Meetings

Section 2.17 Decisions by the Condominium Board

Section 2.18 Compensation of Members

Section 2.19 Common or Interested Members of The Condominium Board

Section 2.20 Liability of the Condominium Board

ARTICLE 3

OFFICERS

Section 3.1 General

Section 3.2 President

Section 3.3 Vice President

Section 3.4 Secretary

Section 3.5 Treasurer

Section 3.6 Election, Term of Office and Qualification of Officers

Section 3.7 Removal and Resignation of Officers

Section 3.8 Vacancies

Section 3.9 Compensation of Officers

Section 3.10 Liability of the Officers of the Condominium

ARTICLE 4

UNIT OWNERS

Section 4.1 Annual Meetings of the Unit Owners

Section 4.2 Special Meetings of the Unit Owners

Section 4.3 Place of Meetings

Section 4.4 Notice of Meetings

Section 4.5 Quorum of the Unit Owners

Section 4.6 Conduct of Meetings

Section 4.7 Order of Business

Section 4.8 Voting

Section 4.9 Election of Members of the Condominium Board

Section 4.10 Action Without a Meeting

Section 4.11 Title to Units

Section 4.12 Contractual Liability of Unit Owners

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 Maintenance and Repairs

Section 5.2 Alterations, Additions, Improvements, or Repair in and to Units

Section 5.3 Alterations, Additions or Improvements to the Common Elements

Section 5.4 Insurance

Section 5.5 Casualty or Condemnation

Section 5.6 Use of the Property

Section 5.7 Use of the Units

Section 5.8 Use of the Common Elements

Section 5.9 Rights of Access

Section 5.10 Modifications of the Rules and Regulations

Section 5.11 Real Estate Taxes, Water Charges and Sewer Rents

Section 5.12 Steam and Fuel Oil

Section 5.13 Gas and Electricity

Section 5.14 Utilities Serving the Common Elements

Section 5.15 Vault Charges

Section 5.16 Compliance with the Applicable Rent Laws

Section 5.17 Records and Audits

ARTICLE 6

COMMON CHARGES

Section 6.1 Determination of Common Expenses and Fixing of Common Charges

Section 6.2 Payment of Common Charges

Section 6.3 Statement of Common Charges

Section 6.4 Default in Payment of Common Charges

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 General

Section 7.2 Right of First Refusal

Section 7.3 Acceptance of Offer

Section 7.4 Failure to Accept Offer

Section 7.3 Termination of, and Exceptions to, the Right of First Refusal

Section 7.6 No Severance of Ownership

Section 7.7 Payment of Common Charges

Section 7.8 Power of Attorney

Section 7.9 Gifts and Devises

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 General

Section 8.2 Restrictions on Mortgaging

Section 8.3 Notice of Unpaid Common Charges and Default

Section 8.4 Performance by Permitted Mortgagees

Section 8.5 Examination of Books

Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 Self Help

Section 9.2 Abatement and Enjoinment

Section 9.3 Remedies Cumulative

Section 9.4 Costs and Expenses

ARTICLE 10

ARBITRATION

Section 10.1 Procedure

Section 10.2 Variation by Agreement

Section 10.3 Binding Effect

Section 10.4 Costs and Expenses

ARTICLE 11

NOTICES

Section 11.1 General

Section 11.2 Waiver of Service of Notice

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 General

Section 12.1 Special Amendments

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 General

Section 13.2 Failure to Deliver or Act

ARTICLE 14

MISCELLANEOUS

Section 14.1 Inspection of Documents

Section 14.2 Waiver

Section 14.3 Conflicts

Section 14.4 Severability

Section 14.5 Successors and Assigns

Section 14.6 Gender

Section 14.7 Captions

ADDENDUM

Rules and Regulations of 179 Ludlow Street Condominium

ARTICLE 1

GENERAL

Section 1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which lies in Block 412 Lot 26 in the Tax Map of the City of New York, County of New York and State of New York; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto; and (iii) all other property real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

Section 1.2 Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 Principal Office of the Condominium. The principal office of the Condominium shall be located either at 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 Condominium Board.

ARTICLE 2

BOARD OF MANAGERS

Section 2.1 General. As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the agent of the Unit Owners, subject to, and in accordance with the terms of the Declaration and these By-Laws.

Section 2.2 Status of the Condominium Board. Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 Principal Office of the Condominium Board. The principal office of the Condominium Board shall be located either at the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 Powers and Duties of The Condominium Board. (A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and in behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a residential condominium;

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial; records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments form the Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvements, alteration and replacements of the Common Elements, provided, however, that: (a) the affirmative consent of at least two-thirds of the members of the Condominium Board shall be required for the borrowing of any sum in excess of $25,000.00 in any fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) the affirmative consent of at least two-thirds, both in number and in aggregate Common Interests, of all Unit Owners shall be required for the borrowing of any sum in excess of $50,000.00 in any fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secure thereby as such Unit Owner's Common Interest bears to the aggregate Common Interest of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common

Elements;

(ix) to obtain insurance for the Property including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver leases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restoration and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to obtain and keep in force fidelity bonds in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000.00 for: (a) all members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses;

(xiii) to accept the surrender of any Unity pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xvi) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvii) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings

that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the Certificate of Incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such Certificate of Incorporation and By-Laws;

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a residential condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration nor other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or 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 same; and

(xxiii) To carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 Certain Limitations on the Powers of The Condominium Board. (A) Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor or its designee or both shall continue to collectively own Units representing 25% or more in number or in aggregate Common Interests, the Condominium Board may not do any of the following without Sponsor's or such designee's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by law or is necessary for the health or safety of the residents of the Building;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency, or surplus find in excess of 5% in the aggregate of the estimated Common Expenses for any year of operation;

(iii) increase the number or change the type of employees from that described in the "FOOTNOTES TO BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION" set forth in the Plan;

(iv) enter into any service or maintenance contracts for work not covered in the schedule referred to in subparagraph (iii) hereinabove; or

(v) borrow money on behalf of the Condominium;

(B) Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board shall not take any of the following actions unless 75% of all members thereof shall approve the same in writing or by vote at a duly constituted meeting called for such purpose:

(i) increase the number, or change the type, of employees from those hired at the time of recording of the Declaration;

(ii) provide for new or additional services from those being provided at the time of recording the Declaration;

(iii) increase the number or change the type of employees form that described in the "FOOTNOTES TO BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION" set forth in the Plan;

(iv) enter into any service or maintenance contracts for work not covered in the schedule referred to in subparagraph (iii) hereinabove; or

(v) borrow money on behalf of the Condominium;

(B) Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board shall not take any of the following actions unless 75% of all members thereof shall approve the same in writing or by vote at a duly constituted meeting called for such purpose:

(i) increase the number, or change the type, of employees from those hired at the time of recording the Declaration;

(ii) provide for new or additional services from those being provided at the time of recording the Declaration;

(iii) impose any Common Charge or Special Assessment for the purpose of making any capital or major improvement, alteration or addition to the Common Elements or to any Unit, unless required by law or is necessary for the health or safety of residents of the Building (nothing contained herein shall restrict the right and obligation of the Condominium Board to maintain and repair the Common Elements); or

(iv) establish any reserves, including, without limitation, a reserve for contingencies, repairs, improvements, or replacements, other than a twelve-month reserve for contingencies not exceeding five percent of the budgeted operating expenses for the ensuing twelve months of operation (nothing contained herein shall restrict the right of the Condominium Board to assess Unit Owners from time to time for any budget deficiency).

Section 2.6 Exercise and Delegation of Powers and Duties. (A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.6 and such additional exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of three or more members of the Condominium Board, at least one of whom shall be a member designated by Sponsor for so long as Sponsor shall have the right to designate or elect one or more members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary continued in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv, (xvi), (xvii), (xix), (xx) and (xxi) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection

(B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7. Number, Election and Qualification of Members. Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of three individuals to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners, the Condominium Board shall consist of six individuals, one each to be designated by the owner of each unit. From and after the first annual meeting of the Unit Owners, the Condominium Board shall consist of nine individuals to be elected by the Unit Owners pursuant to the terms of Section 4.9 hereof. Except for members designated or elected by Sponsor or its designee pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all members of the Condominium Board shall be either: (i) individual Unit Owners; (ii) individual Permitted Mortgagees; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing. However, no Unit Owner may be elected to serve on the Condominium Board if the Condominium Board has perfected a lien against such Unit Owners's Unit and the amount necessary to release such lien has not been paid at the time of such election.

Section 2.8 Term of Office of Members. The term of office of the three members of the Condominium Board designated by Sponsor prior to the first annual meeting of the Unit Owners shall expire when the six individuals to be designated at such meeting are so elected and qualified. The term of office of each of the nine individuals elected and qualified at the first annual meeting of the Unit Owners shall be fixed at such meeting as follows: (i) as to three of such members, at a term of office of three years; (ii) as to three of such members, at a term of office of two years; and (iii) as to three of such members, at a term of office of one year. With respect to the foregoing, those members receiving the highest number of votes shall serve for the longest terms of office, but any members elected by Sponsor or its designee pursuant to the terms of Section 4.9 hereof shall serve for the shortest terms of office. At each annual meeting of the Unit Owners subsequent to the first such meeting, three members of the Condominium Board shall be elected pursuant to the terms of office. At each annual meeting of the Unit Owners subsequent to the first such meeting, three members of the Condominium Board shall be elected pursuant to the terms of Section 4.9 hereof to serve a term of office fixed at three years. Notwithstanding anything to the contrary contained in this Section 2.8, however, each member of the Condominium Board shall serve until his or her successor shall be designanted and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Condominium Board may serve.

Section 2.9 Removal and Resignation of Members. (A) Any member of the Condominium Board who was designated thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or who was designated as such or elected by Sponsor or its designee, pursuant to the terms of Section 2.7, 2.10 or 4.9 hereof, may be removed from

office, with or without cause, by a vote of a Majority of Unit Owners. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such or elected by Sponsor or its designee, to Sponsor or such designee. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his or her membership effective as of the date upon which such qualification shall cease.

Section 2.10 Vacancies. (A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Unit Owners shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is designated by the unit owner who designated the member causing the vacancy. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereafter shall be effective to fill such vacancy even if the number of members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a member who was designated by a Unit Owner or Sponsor or its designee shall be filled by an individual designated by such Unit Owner or Sponsor or such designee.

(C) Each member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a member of the Condominium Board for the remainder of the term of the member he or she replaced and until his or her successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 Organizational Meeting of the Condominium Board. The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within ten days of such annual meeting, at such time and place in the Borough of Manhattan as shall be both fixed informally by a majority of the members of the Condominium Board and designated in a written notice given to all members thereof by personal delivery, mail, or telegram not later than five business days prior to such date.

Section 2.12 Regular Meetings of the Condominium Board. Regular meetings of the Condominium 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. Written notice of all regular meetings of the Condominium Board shall be given to each member thereof by personal delivery, mail, or telegram at least five business days prior to the day named for such meeting.

Section 2.13 Special Meetings of the Condominium Board. The President may call a special meeting of the Condominium Board whenever he or she deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of three or more members of the Condominium Board. Written notice of all special meetings shall be given to each member thereof by personal delivery, mail, or telegram at least five business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 Waiver of Notice of Meetings. Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by him or her of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 Conduct of Meetings. The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 Decisions by the Condominium Board. Except as otherwise

expressly provided in the Declaration or these By-Laws, the vote of a majority of the members of the Condominium Board present at a meeting thereof at which a quorum is present shall constitute the decision of the Condominium Board, Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of he Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 Compensation of Members. No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 Common or Interested Members of the Condominium Board. Each member of the Condominium Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interest of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the members thereof or noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such members;

(y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction; or

(z) the contract or transaction is commercially reasonable to the Condominium Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

Any such member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 Liability of the Condominium Board. (A) The members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his or her own bad faith or willful misconduct. In connection therewith, members of the Condominium Board designated as such by Sponsor shall not be deemed either to be in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Condominium Board and Sponsor or its agents, provided that any compensation paid, or to be paid, to Sponsor or its agents in connection with any such contract or transaction is disclosed in the Plan or an amendment thereto or is at competitive rates for goods sold or services rendered in the Borough of Manhattan.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any committee thereof, or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the offices of the Condominium and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Condominium Board nor any member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense; or

(ii) Any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(D) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member. The liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

ARTICLE 3

OFFICERS

Section 3.1 General. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated form time to time by the Condominium Board.

Section 3.2 President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he or she may decide, in his or her discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him or her from time to time by the Condominium Board or by the President.

Section 3.4 Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of

the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 Election, Term of Office and Qualifications of Officers. Each of the officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. At least two (2) officers shall be elected from amongst the members of the Condominium Board who are Unit Owners. The other officers of the Condominium, however, need not be Unit Owners or members of the Condominium Board and need not have any interest in the Condominium.

Section 3.7 Removal and Resignation of Officers. Any officer of the Condominium may be removed from office with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President or the Vice President of the Condominium shall cease to be a member of the Condominium Board during his or her term of office, such officer shall be deemed to have resigned his or her office effective upon the date upon which his or her membership shall cease.

Section 3.8 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 Liability of the Officers of the Condominium. (A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his or her own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the Unit Owners pursuant to the terms of Sections 2.20 and 4.12 hereof, respectively) that the same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property,

occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct or such officer.

ARTICLE 4

UNIT OWNERS

Section 4.1 Annual Meetings of the Unit Owners. The first annual meeting of the Unit Owners shall be held approximately four months after the First Closing, at which meeting the incumbent three-member Condominium Board shall resign and a successor nine-member Condominium Board shall be elected by the Unit Owners, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the second Tuesday in January of each year, unless such date shall occur on a legal holiday, in which event the meeting will be held on or about the succeeding business day. At each such subsequent meeting, the Unit Owners shall elect successors to the three members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 Special Meetings of the Unit Owners. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 35% of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the County of New York as may be designated by the Condominium Board.

Section 4.4 Notice of Meetings. (A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram not later than five business days prior to the day fixed for the

meeting; however, the mailing of such notice to any Unit Owner, addressed to his or her address at the Property, at least ten days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than ten days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least thirty days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owing units to which 50% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours form the time fixed for the original meeting.

Section 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 Order of Business. The order of business at all annual meetings of the Unit Owners shall be as follows:

(i) Roll call;

(ii) Proof of notice of meeting;

(iii) Reading of the minutes of the preceding meeting (unless waived);

(iv) Reports of officers of the Condominium;

(v) Reports of members of the Condominium Board;

(vi) Reports of committees;

(vii) Election of inspectors of election (when so required);

(viii)Election of members of the Condominium Board (when so required);

(ix) Unfinished business; and

(x) New business.

Section 4.8 Voting. (A) Subject to the terms of Section hereof, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one vote at all meetings of the Unit Owners for each .01% of Common Interest attributable to his or her Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board or any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two or more Persons own a Unit, they shall designate on Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owners of any Unit may designate any Person to act as a proxy on his or her behalf. The designation of any such proxy shall be made in a writing both signed and dated by the designor and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the

secretary of such meeting. Except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of six months after the date thereof.

(E) Except when otherwise required by law or otherwise provided in the Declaration or in these By-Laws, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

Section 4.9 Election of Members of the Condominium Board. (A) When voting for members of the Condominium Board, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one vote for each .01% of Common Interest attributable to his or her Unit(s) per member to be elected. However, nothing contained herein shall be deemed to permit any Unit Owner to cumulate the votes attributable to the ownership of any one Unit in favor of any one or more members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of members of the Condominium Board.

(B) All elections of members of the Condominium Board shall be by written ballot, and each ballot cast shall state: i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the amount of the Common Interest(s) appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall be discounted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of members of the Condominium Board shall be determined by plurality vote.

(D) Not more than four members of the Condominium Board shall serve by reason of the votes cast by Sponsor or its designee at any election held during the Initial control period, and not more than two members of the Condominium Board shall serve by reason of the votes cast by Sponsor or its designee at any election held after the expiration of the Initial Control Period. However, Sponsor or its designee shall have the right to designate the following minimum number of members of the Condominium Board: (a) two members, for so long as Sponsor or its designee owns two or more Units; and (b) one member, for so long as Sponsor or its designee owns one Unit.

(E) After the Initial Control Period, a majority of the members of the Condominium Board shall be owner/occupants of their Unit.

Section 4.10 Action Without a Meeting. Any action required or permitted to be taken by the Unit Owner at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and in aggregate

Common Interests) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

Section 4.11 Title to Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12 Contractual Liability of Unit Owners. Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Section 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his or Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 Maintenance and Repairs. (A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary;

(i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and terrace or patio, if any) and their frames and saddles, exposed plumbing, gas and heating fixture shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and

(ii) in or to the Common Elements shall be performed by the Condominium Board as a Common Expense.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however,, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the owner or such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or nonstructural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of terraces, patios, windows and shades, Venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Units. (A) Subject to the terms of paragraph (B) of this Section 5.2, no Unit Owner shall make any structural alteration, addition, improvement, or repair in or to his or her Unit without the prior written approval of the Condominium Board. In the event, however, that the Condominium Board shall fail to answer any written, reasonably detailed request for such approval within thirty days after such request is received, such failure to respond shall constitute the Condominium Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this

Section 5.2, however, Sponsor or its designee shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Unit, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of Unsold Units, all without the approval of the Condominium Board.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided that, with respect to all such work of a structural nature (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (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 Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 5.3 Alterations, Additions, or Improvements to the Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions, or improvements shall not be made unless first approved by the Unit Owners (including Sponsor or its designee, if Sponsor or such designee then own any Unit) owning a majority of the Common Interests at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $25,000.00 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives.

Section 5.4 Insurance. (A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of unit Owners) and covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon coinsurance or other insurance, (c) invalidity arising out of any acts of the insured and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either cancelled or substantially modified except upon at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to all Unit Owners and Permitted Mortgagees at least ten days prior to the expiration of the then current policies.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manger (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his or her own Unit);

(ii) rent insurance;

(iii) workmen's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage level liability insurance;

(vi) elevator liability and collision insurance; and

(vii) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall in an amount equal to not less than eighty percent of the full replacement cost of the Building, exclusive of excavation and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source (and, until the first regular meeting of the first nine-member Condominium Board elected by the Unit Owners, such coverage shall be at least in the amount of $1,000,000.00);

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000.00 in the aggregate until the first regular meeting of the first nine-member Condominium Board elected by the Unit Owners; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant

to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Condominium Board as a Common Expense.

(E) Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 5.5 Casualty or Condemnation. (A) in the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall exceed $100,000.00 in the aggregate. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in the paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, or any portion thereof, is taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he or she may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed, to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. In addition, each Unit Owner whose Unit, or any portion thereof, shall be the subject to all or part of any Work shall have the right, subject to the terms of Section 5.2 hereof, to supervise any redecorating of his or her Unit.

(C) In the event that Work shall be performed pursuant to the terms of

paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, and all proceeds of such Special assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remains unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% of more of all Unit Owners (including Sponsor or is designee, if Sponsor or such designee shall then own any Units), both in number and in aggregate Common Interest, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or

the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit after such Taking bears to the total floor area of such Unit prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

(G) As used in this Section 5.5, the terms:

(i) "prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) sixty days after the date upon which the Insurance Trustee notifies the Condominium Board and the Unit Owners that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety days after the date upon which the Insurance Trustee notifies the Condominium Board and the Unit Owners that it has received trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date upon which the Condominium Board or the Insurance Trustee, as the case may be, notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration

pursuant to the terms of Article 10 hereof.

Section 5.6 Use of The Property. (A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or 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 Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 Use of the Units. (A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C) and (D) of this Section 5.7, each Unit except the medical unit which may be used for any use allowed by law shall be used only as a residence, and not more than one family may occupy a Unit at any one time. A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners and employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by the Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Notwithstanding the foregoing, the Condominium Board may in its sole discretion, permit Persons other than those set forth above to occupy a Unit. In no event, however, shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased, and no transient occupant other than a guest permitted under this paragraph (B)) may be accommodated therein.

(C) 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 other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such Unit. 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 (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such Unsold Unit; and

(ii) use any one or more Unsold Units as model units and offices for the sale, promotion, rental, management and operation of the Unsold Units or for any other purposes, subject only to compliance with Law.

Section 5.8 Use of the Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as storage areas) without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor or its designee for so long as there are any Unsold Units. Sponsor or its designee shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor or such designee, on or about any portion of the Common Elements chosen by Sponsor or such designee, including, without limitation, on the exterior walls of the Building or adjacent to the main entrance thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium

Documents. In no event, however, shall Sponsor or such designee be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 Rights of Access. (A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his or her unit for the purpose of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults thereunder or under the Declaration or violations of the rules and Regulations committed by such Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his or her Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his or her Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to his or her Unit and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

Section 5.10 Modification of the Rules and Regulations. The

Condominium Board shall have the right to amend, modify, add to or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of a Majority of Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and regulations shall be furnished to all Unit Owners not less than thirty days prior to the effective date thereof.

Section 5.11 Real Estate Taxes, Water Charges and Sewer Rents. Water for the Building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City of New York, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes, water changes and sewer rents) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit or to such purchaser's title company a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

Section 5.12 Steam and Fuel Oil. The charges for steam and fuel oil consumed or used in the Building (including in the Units) shall be paid by the Condominium Board as a Common Expense.

Section 5.13 Gas and Electricity. Gas and electricity shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for gas and electricity consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefor. However, the Condominium Board shall have the right, exercisable in its sole discretion, to require that gas and electricity be supplied to the Condominium through one or more common meters. In such an event, the cost thereof shall be borne by each Unit Owner based upon the consumption or usage of gas and electricity in his or her Unit, as determined by submetering, survey, or any other reasonable method prescribed by the Condominium Board and permitted by Law, and shall be payable either to the Condominium Board or to the utility company servicing the Building, as directed by the Condominium Board.

Section 5.14 Utilities Serving the Common Elements. The cost and expense of water, steam, electricity and gas serving or benefitting any Common Element shall be (i) considered part of the expense of maintaining such Common Elements, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

Section 5.15 Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line shall be paid by the Condominium Board as a Common Expense.

Section 5.16 Intentionally deleted.

Section 5.17 Records and Audits. (A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

(B) Within (4) four months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense.

ARTICLE 6

COMMON CHARGES

Section 6.1 Determination of Common Expenses and Fixing of Common Charge. (A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt and budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in these By-Laws). The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them and, not later than ten days next preceding the date upon which the first installment of newly determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgages. The Condominium Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed for the Property on the date of recording the Declaration, or eliminating or reducing any service or reducing the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the members of the

Condominium Board elected by Unit Owners other than Sponsor or its designee.

Notwithstanding the foregoing, each Unit Owner will pay common charges on his or her unit in accordance with the New York State Condominium Act, Real Property Law Sections 339(i) and 339(m). Common Charges for Unit C will be based on special or exclusive use or availability or exclusive control of such Unit and usage of such Unit of Common Elements, as authorized by Section 339(m) of the New York Real Property Law (so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law). Because C is a commercial unit, has its own entrance to the sidewalk, it does not share the use of the elevator, lobby, security systems, corridors, the services of the superintendent and has its own water meter, the Unit will not share in the maintenance, repair or replacement of these improvements or services. Those items with an * in the Budget for the First Year of Operation contained in the Offering Plan filed with the New York State Department of Law will not be charged to the owner of Unit C except for Service Contracts which will be charged except for elevator maintenance. Otherwise, Common Expenses will be allocated among the Units in accordance with their Common Interest.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respect, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than fifteen days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute

income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expense for such year, then such excess shall be applied by the Condominium Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, however, in no event shall any rent, profit, or revenue 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.

Section 6.2 Payment of Common Charges. (A) All Unit Owners (including Sponsor or its designee with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his or her Unit subsequent to a sale, transfer, or other conveyance by him or her of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor in title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his or her acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his or her Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing unless the aggregate Common Interests then appertaining to the Unsold Units constitutes 15% or less of the total Common Interests then appertaining to all Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor or such designee shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof. Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Section 5.1 5.2 or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 Default in Payment of Common Charges. (A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remains unpaid for more than thirty days after the due date for the payment thereof. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 399-z of the Condominium Act, to

cause such liens to be foreclosed in the manner provided in Section 399-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectable by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay interest thereon at the highest rate chargeable to individuals pursuant to Law, to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's in the order of priority of such liens.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his or her unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized leasing) in the name of the said

Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2 Right of First Refusal. (A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS, IF ANY, OF THE BOARD OF MANAGERS OF 179 LUDLOW STREET CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 and 7.3 OF THE BY-LAWS OF THE SAID CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any such contract of sale or lease shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the contract of sale or the lease, as the case, may be, containing all of the terms offered in good faith by the prospective purchaser or tenant (hereinafter referred to as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell his or her Unit, together with its Appurtenant Interests, or to lease his or her Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bond fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than fifteen business days in the event of a proposed sale and ten business days in the event of a proposed lease after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit

Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority of Unit Owners.

Section 7.3 Acceptance of Offer. (A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the sale or Lease Agreement, at the office of the attorneys for the Condominium within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale or Lease Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interest, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-O of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale or Lease Agreement to the contrary. Real estate taxes (including water charges and sewer rent, if separately assessed), mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenant-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant.

Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Sale or Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Sale or Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised hereunder without consent of the landlord.

Section 7.4 Failure to Accept Offer. (A) In the event that the Condominium Board shall fail to accept an offer and pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within sixty days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (i) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such sixty-day period, then should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3 and 7.4 hereof.

(B) Any deed of a Unity and its Appurtenant Interest to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign his or her interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 Termination of, and Exceptions to, the Right of First Refusal. (A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing agent as aforesaid.

(B) The terms and conditions contained in Sections 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease, or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the Unit Owner thereof to any of his or her adult Family Members, to any combination of the same, or to a trust for the benefit of any of them or, in the case of a Unit Owner that is not an individual, to any entity or individual that owns more than fifty percent of the legal and beneficial interest of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty percent of the legal and beneficial interest thereof;

(ii) Sponsor or its designee, with respect to the Unsold Units;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or his or her nominee, who has acquired title to any Unit at any foreclosure sale of his or her Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction.

Provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, all of the terms and conditions of this Article 7.

Section 7.6 No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to this or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his or her Unit unless he or she shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit.

Section 7.8 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his or her title insurance company or, if no such representative is present, to Sponsor or is designee, or, if Sponsor or its designee is not then the owner of any Unsold Unit, to the Condominium Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9 Gifts and Devises, Etc. Any Unit Owner shall be free to convey or transfer his or her Unit, together with its Appurtenant Interest, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 7.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 General. Each Unit Owner shall have the right to mortgage his or her Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his or her Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book

entitled "Mortgages of Units".

Section 8.2 Restriction on Mortgaging. (A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his or her Unit unless and until he or she shall have paid in full to the Condominium Board all unpaid Common Charges and special assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions thereto as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association, or the institutional or non-institutional lender to make the mortgage loan or take an assignment thereof.

Section 8.3 Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his or her mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a coy of such notice to his or her Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 Performance of Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his or her Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives. (A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his or her mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any, designated pursuant to the terms of paragraph (B) of this Section 8.5, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than three Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages encumbering Units other than Permitted Mortgagees who hold Institutional Mortgages shall be entitled to participate in the designation of mortgage representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, including, without limitation, any breach of his or her 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 five 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 even that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 Abatement and Enjoinment. (A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, the Condominium Board shall have the rights to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or its designee shall give to Sponsor or such designee the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 Remedies Cumulative. The remedies specifically granted to the Condominium Board or to Sponsor or its designee in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor or such designee, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof of (ii) Sponsor in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor, 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 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 Procedure. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within ten days after his or her selection or appointment.

Section 10.2 Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3 Binding Effect. The decision in any arbitration conducted pursuant to the terms of Sections 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of the Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the terms of Section 4.1 hereof shall be non-binding.

Section 10.4 Costs and Expenses. (A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

(B) 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, shall constitute Common Expenses.

ARTICLE 11

NOTICES

Section 11.1 General. All notices required or desired to be given hereunder shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a photocopy sent to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor or its designee, to such Unit Owner at his or her address at the Property;

(iii) if to Sponsor or its designee, to Sponsor or such designee, at 5041 Broadway, New York, New York 10034; or

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when deposited in an United States Postal Service depository located in the State of New York enclosed in a sealed, postage prepaid wrapper, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 Waiver of Service of Notice. Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 General. (A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments (hereinafter referred to as "Special Amendments") affecting or in favor of Sponsor or its designee, any Unsold Unit(s), and/or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to , or deleted by the affirmative vote of not less and 66 2/3% in number and aggregate Common Interests of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and

recorded in the Register's Office by or on behalf of the Condominium Board as attorney in fact of all Unit Owners, which power of attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof;

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed; and

(iii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless (in addition to the consent, if required, of the Mortgage Representatives as provided above) not less than eighty percent in number and in aggregate Common Interests of all Units Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 Special Amendments. (A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor or its designee without the consent of the Condominium Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or such designee as attorney in fact of both the Condominium Board and all Unit Owners, which power of attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or such designee, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or such designee pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor or its designee, any Unsold Unit, or the holder of any present or future mortgage, pledge. lien or security agreement covering any Unsold Unit unless and until Sponsor, such designee, and/or such holder (as the case may be) shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, subparagraph (iv) or (v) or paragraph (B) of Section 7.5, or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 General. Any person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for therein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 Failure to Deliver or Act. (A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney in fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor, then Sponsor is hereby authorized, as attorney in fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other

Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person.

ARTICLE 14

MISCELLANEOUS

Section 14.1 Inspection 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.

Section 14.2 Waiver. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 Successors and Assigns. The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with the consent of Sponsor, any transferee of all of the then Unsold Units.

Section 14.6 Gender. 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.

Section 14.7 Captions. The index hereof and the captions herein inserted are included only as a matter convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

Addendum to the By-Laws of
179 Ludlow Street Condominium

RULES AND REGULATIONS

OF

179 LUDLOW STREET CONDOMINIUM

1. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No velocipedes, bicycles, scooters, or similar vehicles shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose, and no baby carriages or any of the abovementioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrance or such other entrance of the Building designated by the Condominium Board. In addition, all servants, messengers, and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that nurses in the employ of Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for that purpose and only through the service entrance.

5. No articles (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. The storage rooms of the Building shall be used by all Units Owners, in common, only for the storage or trunks, bags, suitcases and packing cases, all of which shall be empty, and for the storage of such other articles as the Condominium Board, in its sole discretion, may determine. Supervision, management and control of the storing in and removal of a Unit Owner's property from the storage rooms is vested in the Condominium

Board. The use of the storage rooms shall be at the sole risk of the Unit Owner or other person using the same, and the Condominium Board, its agents, or the Managing Agent shall not be liable for any injury to persons, loss by theft or otherwise, or damage to property, whether due to the negligence of the Condominium Board, its agents, the Managing Agent, or otherwise. No storage room shall be used for a commercial purpose or for any use incompatible with the storage of personal items.

7. The laundry and drying apparatus in the laundry room of the Building shall be used in such manner and at such times as the Condominium Board or the Managing Agent may direct. No clothes, sheets, blankets, laundry or other articles of any kind shall be hung on or out of a Unit or shall be dried or aired on any open terrace or patio.

8. No refuse from the Units shall be sent to the cellar of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, window, or open terraces or patios, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

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

10. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes, in the Building.

11. Nothing shall be done or be kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violations of any Law. No Unit Owner or any of his or her Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his or her Unit any inflammable, combustible, or explosive fluid, materials, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

12. There shall be no barbecuing in the Units, or in the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

13. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his or her Unit or permit anything to be done therein that will interfere with the rights, comforts, or

conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M. if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work in necessitated by an emergency.

14. No bird, reptile, or animal shall be permitted, raised, bread, kept or harbored in the Building unless, in each instance, the same shall have been expressly permitted in writing by the Condominium Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the Condominium Board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, patios, terraces, or other public portions of the building, or on the sidewalk or street adjacent to the Building.

15. No Unit Owner shall install any planting on any terrace or patio, without the prior written approval of the Condominium Board. Plantings shall be contained in boxes of woods, lined with metal or other material impervious to dampness and standing on supports at least two inches from the terrace or patio surface, and, if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry plating beds shall not, however, rest directly upon the surface of such terrace or patio, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

16. 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 consent of the Condominium Board or the Managing Agent in each instance. In the event that any Unit shall be used for home out-patient purposes in conformance with the Declaration and the By-Laws, no patients clients or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

17. Unless expressly authorized by the Condominium Board in each instance, not less than eighty percent of the floor area of each Unit (except only kitchens,

pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise-reducing material.

18. No window guards or other window decorations shall be used in or about any Unit except such as shall be required by law or shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surfaces of any windows at the Property be colored or painted.

19. No fences, walls or other structures shall be erected on any common area or limited common area, including terraces and balconies.

20. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale", "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other parts of the Building, except such as are permitted pursuant to the terms of the Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

21. 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.

22. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other articles shall 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.

23. Each Unit Owner shall keep his or her Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

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

25. The Condominium Board or the Managing Agent may retain a pass key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry there is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry reasonable care is given to such Unit Owner's property).

26. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his or her agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, truck, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 25 above) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

27. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever enter upon, or attempt to enter upon, the roof of the Building.

28. No occupant of the Building shall send any employee of the Condominium of the Managing Agent out of the Building on any private business.

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

30. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or the Managing Agent.

DOCUMENT NUMBER 4

ARCHITECT'S REPORT

179 LUDLOW STREET
CONDOMINIUM APARTMENT BUILDING
NEW YORK, NY 10002

January 10. 2014

General: The property described herein will contain an altered existing 7 story structure with Cellar.

Consultants: Jack Green Associates, Licensed Professional MEP Engineers in New York
Bruce Goldman, Licensed Professional Structural Engineer in New York

A. Location of Property:

1. Address: 179 Ludlow Street
New York, NY 10002
(Entrance on Ludlow Street)

2. Block No.: 412
Lot No.: 26

3. Zoning District: C4-4A
The legal limitations for this Zoning District are as per the NYC Zoning Resolution as modified by BSA Resolution 307-08-BZY. There are no additional limitations beyond the underlying district regulations for the C4-4A district.

Zoning Map: 12C

4. Permissible Uses: Use groups 1 & 2 - Residential
Use groups 3, 4 – Community facility
Use Group 5, 6, 8, 9, 10, and 12 - Commercial

5. Landmark Status: None

B. Status of Construction / Status of Building

1. The Alteration is under construction pursuant to Department of Buildings application number 104385746, that was originally filed and approved in March 2006.

2. The initial construction permit was issued on or about March 24, 2006 was renewed in September of 2006 and expired in November of 2006 when it is believed that construction was halted. A new permit was issued to a different contractor in April of 2007 when it is believed that construction operations recommenced. This permit expired in April of 2008 when it is believed that construction operations ceased.

In 2008 the seven (7) story concrete masonry bearing wall super structure was completed with exterior stucco (believed to be acrylic) weather protection, including the

roofing, elevator shaft, partially installed elevator equipment, partial plumbing, sprinklers, mechanical systems, interior framing, partial dry wall installation and some finished materials. A temporary construction fence was installed on the easterly and westerly facades. Windows were not installed. The exterior walls do not have continuous exterior insulation because the face of the existing exterior walls align with the property line. Applying an exterior insulation system will cause an encroachment onto the adjacent property. There is no cavity insulation within the existing exterior concrete masonry unit walls. This existing condition may result in moisture accumulation within the exterior walls that may affect interior finishes and cause mold if this condition is not adequately monitored on a regular basis and maintained properly.

The existing balconies in the rear of the building are built as cantilevered steel supporting a metal pan with concrete fill. The concrete fill will absorb water and may cause the metal pan to weather and possibly corrode if the condition is not adequately monitored on a regularly basis and maintained properly.

The surface of the existing balconies are pitched slightly towards the rear façade of the building. Water infiltration was identified at the intersection of the rear wall causing some damage to the sub-floor which is being replaced in the course of the completion of the project. This existing condition may result in further moisture penetration at the intersection of the balcony and the rear wall that may affect interior finishes, the sub-flooring and cause mold if this condition is not adequately monitored on a regular basis and maintained properly.

The approvals, permits and the construction described above were completed prior to the enactment of the New York City Energy Conservation Code.

Since the termination of construction in 2008, the building remained in the state of partial completion noted above and was partially exposed to the weather, water infiltration, thermal fluctuations, until construction was resumed as noted below.

3 Construction permits were re-instated on or about June 27, 2013 and construction was continued. Portions of previously completed work may have been altered, removed or replaced. The existing concrete masonry super structure remains as the exterior envelope as originally built. There may be certain modification made to accommodate alterations to the project.

4. The projected date of substantial completion is on or about October of 2014 unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

5. Class of Construction: The Building is classified as Class IIB (Combustible) and will conform to all applicable regulations of the Building code of the City of New York (the "Building Code"). The building plans have been filed with the New York City Department of Buildings, which issued Alteration permit 104385746-01-AL on June 27, 2013.

I **27-282 Construction class II-B**. - Includes buildings and spaces in which the exterior walls, fire walls, exit ways, and shaft enclosures are of noncombustible materials having the required fire resistance ratings; and in which the floors, roofs, and interior framing are wholly or partly of wood of smaller dimensions

than required for class II-A construction, or are of other combustible or noncombustible materials, having the required fire-resistance ratings.

6. Certificate of Occupancy: In accordance with all applicable laws (including the NY State Multiple Dwelling Law Section 301), after the completion of construction, the Sponsor will apply for a Certificate of Occupancy for the building from the Department of Buildings of the City of New York (the "Department of Buildings"). The Sponsor will obtain a Temporary Certificate of Occupancy prior to the first unit closing.

7. After a Certificate of Occupancy is issued, all elements of the property will require ongoing monitoring, maintenance and repair as appropriate and an appropriate plan should be developed and implemented by the condominium management to provide for the ongoing maintenance of the property.

C. Site

1. The total site area is approximately 2,093 square feet.

   The site dimensions are 23'-10" x 87'-10"

2. There will be a single 7-story building with one cellar.

   I. Floors will be designated as C, G, 2, 3, 4, 5, 6, 7, and R.

   II. The Cellar level shall be designated as C and contains storage areas, mechanical rooms, and cellar level retail

   III. The first floor shall be designated as G and contains a residential the lobby and commercial retail space.

   IV. Floors Two (2) through Seven (7) contain residential units.

   V. The Roof contains a Common Area assigned to residential unit 7 and a Mezzanine part of residential unit 7

3. The building's faces east onto Ludlow Street a 60' wide street with south bound traffic.

   I The existing paving will remain.

   II The existing curb will remain

   III There is no public street lighting in front of the property. Lighting will be provided at the entrances to the residential lobby and at the commercial entrance. There is an existing public street lamp (cast iron replica) on the east side of Ludlow Street northeast of the northeast corner of the property.

   IV The sidewalk is existing. The entrance to the residential lobby is at grade and conforms to NYC Local Law 58/87 for handicap accessibility requirements.

      a) There are no driveways, curbcuts or street ramps

D Utiliities

1 Water service is provided by the City of New York. There will be a single meter for the building that will be managed by the condominium management. The cost of the water service will be shared proportionately by the individual units.

2 The Sanitary Sewer System is connected to the public sewer system provided by the City of New York and managed by the condominium management.

3 Gas service will be provided by the Con Edison of New York.

I There will be a single meter for residential cooking that will be managed by the condominium management. The cost of the residential cooking gas will be shared proportionately by the individual units

II There will be a single meter for hot water heater that will be managed by the condominium management. The cost of the hot water heater's gas will be shared proportionately by the individual units.

4 Electric service will be provided by Con Edison of New York.

I There will be a separate meter for each unit. Each unit will be billed by Con Edison and will be solely responsible for the cost of their service.

II There will be a separate meter for the common areas of the building. Con Edison will bill the condominium management who will be responsible for the cost of the service.

5 Telephone services will be provided by NYNEX

I A Telephone service connection will be located in the common cellar area by the utility company. Distribution, billing and the cost of the telephone service to each unit will be the sole responsibility of the individual units.

E Sub-soil conditions (information provided by Bruce Goldman, Structural PE of RCM Technologies)

1 There were no changes to the foundation. Existing foundations were utilized to support the additions.

2 The depth of the water table is not known and there no known risk for water infiltration.

3 There is no known danger from flooding, mudslides or erosion.

F Landscape and enclosure

1	Grass Cover	Not Applicable
2	Plantings	Not Applicable
3	Trees	Not Applicable
4	Fencing	

I Privacy screens shall be constructed to divide the residential roof areas as required. Metal railings will also be provided at parapets per the plans. Upkeep and Maintenance of railings and security fencing is a common expense

5 Gates

I Integral with fences at roof terraces where require. Upkeep of roof fences, gates and other perimeter security measures is a common expense

6 Garden Walls Not Applicable

7 Retaining Walls Not Applicable

8 Display pools and fountains Not Applicable

G Building Size

1 The total height of the building from the mean curb elevation on Ludlow Street to the top of the roof structural is 79'-11

2 Crawl spaces are not provided

3 There will be only one cellar level

4 There will be 7 floors above grade and one cellar floor below grade.

5 Equipment rooms are located as follows:

I Stair and elevator bulkheads, will be located on the roof.

II There will be elevator mechanical, electrical, water and sprinkler pump rooms in the cellar

6 Parapet walls are located as follows

I Height from top of roof finish to top of parapet coping or railing as applicable will be a minimum of 3'-6"

H Structural System

1 Exterior of building

I Walls: (information provided by Bruce Goldman, Structural PE of RCM Technologies)

a) For the initial modification commenced in 2006, the original building brick foundation and bearing walls were utilized. These items are estimated to be constructed in 1920 based on information available from the New York City Department of Buildings. The original construction was modified as required for the new construction

b) For the construction commenced in 2006, the new floor construction consisting of light gage metal framing was installed for all floors. Structural steel members were installed to support the balconies and the east and west walls at transitions. The existing north and south bearing walls were extended using 8" concrete masonry unit.

c) The structural modification work filed with the New York City Department of Buildings in 2013 includes modifications to the east face of the building including removal of the existing balconies, extending the walls and floor structure and adding new fire escapes; modifications to the west face of the building at the lower levels; modifying the upper floor and roof structure for a new mezzanine, and various interior modifications required for the new interior arrangements.

d) This building will be subject to the regulations of NYC Local Law 11 that will require periodic inspections and maintenance of the building's facades.

II Windows: The windows at all floors will be a combination of new aluminum casement or sliding sashes and fixed windows, double-glazed, with a standard 1 year manufacturer's warranty (Arcadia Fixed – Projecting T200 Series (Thermal)) by NYC Glass Works. The warranty period will start from the end date of completion of the window installation. The area of operability is in compliance with the requirements of the 1968 NYC Building Code.

III Landmark Status: Not Applicable

2 Parapets and Copings: The roofs and terrace parapets will be masonry walls reinforced with vertical steel dowels embedded into the concrete slab. The parapet on the front terrace of the 6th Floor will be framed with exterior gypsum sheathing. The parapet coping shall be aluminum. The interior face of the parapet walls will be masonry. The height of all parapet walls or railings will comply with the New York City Building Code and be a minimum of 42" above roof deck. Exposed exterior flashing for the building shall be galvanized steel.

3 Chimneys and Caps: The flues are to be custom fabricated as per the MEP Engineer's specifications by the mechanical contractor and shall terminate above the roof structure as required by the Building Code of New York City. There is one flue in the entire building for water heaters. The flue is Type B Double Wall as manufactured by Metalbestos. The flue is terminated with an NYC approved ventilation cap.

4 Balconies & terraces : The easterly fire escape (front) and westerly (rear) balconies will be constructed using structural steel tubes. (Information provided by Bruce Goldman, Structural PE of RCM Technologies)

I Deck Finish:

a) Roof terrace decks will be concrete pavers at roof terraces.

b) The fire escape (front) balcony deck will be constructed using steel grating on the east side.

c) The rear balcony decks will be concrete with sealant on metal deck on the west side.

II Balustrade: painted steel.

III Railings: painted steel railings at balconies with painted steel horizontal guards.

IV Copings: aluminum copings at all parapets.

V Soffits: soffits and undersides of overhead surfaces will be painted steel grating.

a) Under Fire Escape: Painted steel grating.

b) Under Rear Balconies: Painted steel panels.

VI Doors to balconies and terraces: Aluminum hollow metal frames and transparent tempered insulated glass panels as per code. The exterior finish will be anodized aluminum cladding fabricated by NYC Glass Works.

a) The doors to the balconies will be Arcadia Sliding Door ULT-5000 T/B Monumental and Arcadia Swinging High Performance Terrace Doors 8250 T/B.

VII Condition of existing balconies

a) The existing balconies in the rear of the building are built as cantilevered steel supporting a metal pan with concrete fill. The concrete fill will absorb water and may cause the metal pan to weather and possibly corrode if the condition is not adequately monitored on a regularly basis and maintained properly.

b) The surface of the existing balconies are pitched slightly towards the rear façade of the building. Water infiltration was identified at the intersection of the rear wall causing some damage to the sub-floor which is being replaced in the course of the completion of the project. This existing condition may result in further moisture penetration at the intersection of the balcony and the rear wall that may affect interior finishes, the sub-flooring and cause mold if this condition is not adequately monitored on a regular basis and maintained properly.

5 Exterior Entrance and Ground Floor Public Areas

I Exterior Doors and frames: The main entrances at the Residential Lobby to have aluminum hollow metal frames and transparent tempered glass panels as per code. The exterior finish will be anodized aluminum cladding. A canopy is planned at the building entrance on Ludlow Street that will be supported from a steel structure with a glass awning suspended from the structure at the ground floor.

a) The exterior doors and frames are being fabricated by NYC Glass Works in compliance with the 1968 NYC Building Code. Arcadia Swinging High

Performance Terrace Doors 8250 T/B with C.R. Lawrence Hardware Series DR10SBS.

II Vestibule Doors and Frames: Aluminum hollow metal frames and transparent tempered glass panels. The exterior finish will be anodized aluminum cladding.

b) The vestibule doors and frames are being fabricated by NYC Glass Works in compliance with the 1968 NYC Building Code. Arcadia Swinging High Performance Terrace Doors 8250 T/B.

III Fire Escape Stairs: The fire escape stairs are located on the east façade of the building and are to be constructed of painted steel as per building code.

IV Railings: Exterior railings are painted steel, comply with the NYC building code and are located as per plan.

V Mail Boxes: Mail boxes will be located in the Residential Lobby at the Ground Floor and will be front loading finished metal and U.S.Postal Service approved. Postal Products Unlimited 1250 Series 7-Door Recessed Vertical Mailbox.

VI Lighting: Lighting will be provided at the building exterior entrance (Modern Forms Suspense Model WS-W19 LED Outdoor Sconce Luminiare), in the lobby, and public corridors (WAC Lighting Recessed HR-3LED-T118). Lighting will be provided at the private terraces at the roof levels (WAC Lighting Recessed H18D-A).

6 Service entrances: There are no service entrances.

7 Roof and Roof Structures

I Type of roofs for all areas

a) Material: Firestone UltraPly TPO 0.60" in limited locations. Insulation and roofing will be pitched towards drains (as recommended by the roofing manufacturer).

b) Insulation: Insulation shall be a minimum R 20 continuous insulation above the roof over the 5th floor front, the 6th floor main roof, the 6th floor mezzanine roof and the high basement roof. There will be R38 cavity insulation in the low basement roof. The approvals and permits for this structure predates the implementation of New York City Energy Conservation Code.

c) Surface Finish: The surface finish will be a composite porcelain paving system.

d) Bond or Warranty: The roofing system shall have a two-year minimum manufacturer's warranty. Expected useful life of the roofing system shall have a minimum life of up to 10 years.

e) Flashing Material: There will be galvanized steel counter flashing and membrane base flashing as required and will be compatible with the roof assembly.

II Drains

a) Location, Material and Type: At roof bulkheads, main roof, and terraces will be cast iron drains with domed or flat type grates to exclude debris. In Bulk head locations scuppers and leaders may direct water to drains at the roof level below.

b) Gutters and Leaders:

1 An aluminum gutter will be fabricated by NYC Glass Works Corp. and will be integral with the skylight above the 6h floor. The leaders will lead water to the adjacent roof and will land on a splash block as required.

2 An aluminum gutter will be installed in the awning at the residential entrance that will be connected to a concealed internal drain piping leading to the building's storm sewer.

III Skylights:

a) An integrated structurally self-supporting skylight fabricated by NYC Glass Works will be installed over the mezzanine level of the top floor unit.

b) Vented skylights may be provided in lieu of fixed motorized vents over the stair and elevator bulkheads as required by NYC Building Code and the Multiple Dwelling Law.

IV Bulkheads, (information provided by Bruce Goldman, Structural PE of RCM Technologies)

a) Stairs: The stair enclosure will be part of roof bulkhead which will consist of Concrete block walls with stucco finish.

b) Elevator: The bulkhead will be part of roof bulkhead, which will consist of Concrete block walls with stucco finish.

V Metal Work at Roof Levels

a) Exterior Metal Stairs: None (see fire escape).

b) Vertical Ladders: exterior, vertical ladders shall be provided to gain access to the upper roof level of the stair, elevator bulkheads and boiler room as required (one per bulkhead).

c) Railings: Provided to a height of 3'-6" above finished roof levels in all locations, other than where parapet rises to 3'-6" above finished roof

levels. Painted steel railing at roof terraces and parapets as required to meet code heights.

d) Hatches to Roof: None

e) Other – Nor Applicable

VI Rooftop facilities - No Common roof area will be provided.

8 Fire escape (information provided by Bruce Goldman, Structural PE of RCM Technologies)

I The fire escape is new and will be located on the front of the building which is the easterly façade.

a) The fire escape is being constructed in steel that will be attached via welding and high strength bolts in accordance with the structural plans and is integrated into the overall structure of the building.

II The fire escape will provide access from the roof level to grade and all stories in between complying with NYC building code in order to provide a second means of egress as approved by the NYC Code Determination 23835 dated July 12, 2012.

III Drop Ladder – Steel ladder to be held in place by steel latch until activation

IV Type – Typical gravity operated fire escape ladder

V Materials - The fire escape will be constructed of painted metal.

9 Yards and courts – The rear yard equivalent is located on the roof above the commercial space on the Ground Floor (basement level).

I Paving: Composite porcelain paving system.

II Drainage: Surface drains, and roof or area drains draining to internal pipes attached to the storm water drainage system per plans.

III Railings: Not Applicable

IV Stairs: Not Applicable

V Fencing: Chain Link for security at rear line of upper (mechanical equipment) level. There will be a visual screen to shield the lower (1st floor unit's terrace) from the HVAC equipment that will be located on the upper level.

VI Walls: Walls and parapets will be CMU with light colored cement.

10.1 Interior Public Stairs

I Number of Stairs: There is one public stair core in the building, which will extend to the Roof level. Stairs exit either at grade or through a fire rated corridor to grade.

II Enclosure: The stairs will be enclosed with a min. 2-hour rated concrete block masonry walls around the main stair enclosure form the cellar to the roof bulkhead. The 6th floor mezzanine vestibule bulkhead walls will be made of 2 hour stud framing. The interior of the fire stair will be painted. All stair walls will be painted.

III Stair Construction: The stairs are existing and are made of steel.

IV Stringers: Painted steel stringers.

V Treads: Painted steel pan with Concrete infill.

VI Risers: Painted steel and wood.

VII Guard & Hand Rails: There shall be a steel handrail in each stair in conformance to the NYC Building Code.

VIII Balustrade: Steel bars as required.

10.2 Interior 6th floor Duplex Unit Stairs

I There will be a private access stair in the 7th floor duplex unit that will be a 36" wide interior stair with balustrades and guards as required, connecting both levels of the unit.

II Enclosure: This private access stair is unenclosed.

III Stair Construction: Stairs will be steel construction with finish solid wood treads.

IIV Stringers: Painted steel.

V Treads: Finished wood treads.

VI Risers: Open risers.

VII Guard & Hand Railings: Painted steel and wood.

VIII Balustrade: Painted steel.

11 Interior Doors and Frames

I Unit Entrances: The Residential units shall enter directly off of the elevator. All residential entrance doors shall be 1 ½ hour fire rated self-closing hollow-metal in a 1 ½ hour rated metal frame (Stanley Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors) and will meet the NYC Building Code requirement. The apartment interior doors shall be Stanley 3070 Standard Series Solid Core Wood Doors and for bathrooms SupaDoors Barn Slider Pocket Doors.

II Corridor Doors and Frames: All doors and frames shall be Stanley Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors and will have an approved fire rating label in order to meet the NYC Building Code requirements

III Stair Hall Doors and Frames: All doors and frames shall be Stanley Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors and will meet the NYC Building Code requirements

IV Roof Doors, Lower Level Doors and Frames: These doors and frames shall be Stanley Heavy Duty Commercial Hollow-Metal Doors 1.5 Hr Fire Rated Doors and will meet the NYC Building Code requirements

12 Elevators

I There shall be one passenger elevator.

II The elevator the elevator manufacturer will be Mongrain Vertical Transport shall have a capacity of 2,000 pounds (approximately 10-12 people).

III The type of operation will be selected collective operation.

IV The elevators will have an automatic VVVF, microprocessor based, solid state controller.

V The elevators will serve all floors, including the Cellar, Ground Floor, Floors 2 - 7 and Roof.

VI The elevator is a hole less hydraulic cantilever roped elevator.

VII Doors are double slide with automatic linear obstruction sensor.

VIII The elevator machine room is located on the cellar level.

IX DC motor – None.

X AC motor - There is an AC motor in the submersible hydraulic tank drive unit - pump /motor data is as follows submersible made by ELMO type AT-2pU60hz/0508 -01-1/2 3phase 208 volts.

XI Other: None

13 Elevator Cab

I Elevator cab manufacturer: Velis Associates, or equal.

II The floor material will be vinyl composite tile.

III The walls for elevator cab will be plastic laminate.

IV The ceiling for elevator cab will be painted metal ceiling panels.

V The lighting of the cab will be four to six recessed low voltage fixtures.

VI Alarm and recall operations will be as per New York City Building Code and requirements of the New York City Fire Department.

I. Auxiliary Facilities

1 Laundry Rooms – There is no laundry room.

I Each residential unit is provided with one combined washer/dryer machine that will be located in a laundry closet adjacent to the guest bathroom. The washer and dryer are provided by the Sponsor, and the maintenance of the units is the responsibility of the unit's owner.

II There is one washer in each residential unit.

III There is one dryer in each residential unit.

IV The laundry closet door will be louvered.

V The electric dryer unit will be a self-venting condensate unit.

2 Refuse Disposal

I Incinerators: None

II Compactors Refuse Chutes: None

III Approvals: Not Applicable

IV Storage Locations: The refuse will be stored in the Refuse Room located at the cellar floor and will be transferred to street level through the public hall. Recycling of designated materials will be mandatory. Recyclables will be stored in the refuse room.

V Bags and recyclables from the residential refuse room shall be transported to street level by the building superintendent (employed by the condominium management), and then removed by the New York City Department of Sanitation.

J. Plumbing and Drainage - (information provided by Jack Green Associates, MEP Engineers)

1. Water Supply:

i) Domestic water will be supplied from a 3" domestic water service connected to the street water main on Ludlow Street.

ii) NYC approved water meter and backflow preventer will be provided in Water Meter Room.

iii) Domestic water delivered to each apartment via risers and a domestic water booster pump, similar to "Federal Pump" Duplex model SP-60-4, 60 GPM @ 90 FT, 3HP, 208 Volts/3 phase.

iv) The domestic hot water temperature to all fixtures will be approximately 120 degrees Fahrenheit and controlled by a mixing valve at the water heater. Domestic water heating will be provided by two (2) gas fired water heaters, similar to "A.O. Smith" model BTR-200, 100 Gallons, 199,000 Btu/hr gas input.

v) Flow conservation devices will be provided on all water supplies to all showers.

vi) The cold, hot and hot water circulation piping is copper type.

vii) Water conservation plumbing fixtures will be provided.

2. Fire Protection System:

i) The Building will be sprinklered per NYC Building and Fire Code.

ii) A 6" fire service from Ludlow Street will supply a combined fire standpipe and sprinkler riser located in the stair. The riser will serve sprinkler systems throughout each floor, and each hose Station on each floor. The pipe material is black steel pipe. Fire service is provided with a backflow preventer.

iii) On the cellar level, a fire hose rack is provided. In the residential lobby area, a NYC Fire Department hose storage cabinet will be provided with hose and nozzle. In addition, a key cabinet for the Fire Department use to open the hose cabinet will also be provided adjacent to the hose cabinet.

iv) Sprinklers will be provided throughout the building except for residential bathrooms and closets. The entire building including all below grade areas, will be protected with a wet sprinkler system. The sprinkler system is supplied from the combined fire standpipe and sprinkler system. Upright, pendent and flush type heads will be provided throughout. The sprinkler system will be designed for light and ordinary hazard occupancy.

v) The secondary source of water supply is from the combined fire standpipe and sprinkler system flush type Siamese facing Ludlow Street.

3. Water Storage Tank: None provided

4. Water Pressure:

i) One (1) duplex water booster pump will be provided for domestic cold water (see above at paragraph H.1.III) and one (1) fire pump and jockey pump are provided.

5. Sanitary Sewage System:

i) A complete sanitary drainage system will convey all soil and waste from plumbing fixtures, drains and equipment. The sanitary system is designed for gravity flow through vented branches, stacks and building drains.

ii) Sanitary piping above ground shall be cast iron piping with no-hub fitting. Piping below grade is cast iron service weight pipe with Bell and Spigot fittings and neoprene gasket joints.

iii) The sanitary drainage flows to the city public sewer system at Ludlow and is discharged into a combined service. No ejector pump is utilized.

6. Permits Required:

Permits and approvals to be delivered on closing by the developer for:

- Plumbing,
- Water
- Gas.
- Sprinkler
- Standpipe

7. Storm Drainage System:

i) A complete storm water drainage system designed for gravity flow will convey storm water drainage from the building roof, roof terraces and back balconies, and will flow to the New York City public sewer system at Ludlow Street through a combined service

ii) There shall be at least one (1) drain for each roof or paved drainage area.

iii) The piping material above the floor will be cast iron with no-hub joints. Piping below the cellar slab will be cast iron.

iv) In the elevator pit a floor sump pit is provided, similar to "Oil-Minder" model SE 50, 74 GPM @ 37 FT, 1/2 HP, 208 Volts/1 phase

K. **Heating** - (information provided by Jack Green Associates, MEP Engineers)

1. Method

i) Commercial Cellar/Basement: "Coolaire" split system model E5G3ASTA (condensing unit)/B5G3ASTA (air handling unit) with a 20 KW electric heater in the air handling section. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

ii) 1st floor: "Mitsubishi" heat pump split system PUMY-P48NHMU (condensing unit) with (3) air handling units - model PKFY-P12NHMU, PKFY-P15NHMU and PVFY-P30E00B. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

iii) 2nd to 5th floor: "Mitsubishi" heat pump split system PUMY-P48NHMU (condensing unit) with (2) air handling units model PEFY-P24NHMU and PEFY-P27NHMU. The heating/air conditioning system will be individually controlled by

thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

iv) 6th floor: Outdoor unit "Johnson Controls" model D6EX048A25 with 15 KW electric heat. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

v) Mezzanine: Outdoor unit "Johnson Controls" model D6EQ060A25 with 25 KW electric heat. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

2. Domestic Hot Water

i) Domestic water heating will be provided by two (2) gas fired heaters installed in the cellar (see above at paragraph H.1.IV).

a) The domestic hot water temperature to all fixtures will be approximately 120 degrees Fahrenheit and controlled by a mixing valve at the water heater. Domestic water heating will be provided by two (2) gas fired water heaters, similar to "A.O. Smith" model BTR-200, 100 Gallons, 199,000 Btu/hr gas input

3. Residential Space Heating

i) The heating system is a heat pump system with individual apartment thermostats and will be designed to maintain a temperature of 68 degrees Fahrenheit inside when the outside temperature is 15 degrees Fahrenheit under normal conditions. Electric make-up heat coils supplement the Dining/Living heat pump unit when the outside temperature falls below efficient thresholds.

ii) Forced air is supplied from air handling units. Condensers mounted outside on roofs and terraces will be provided. The heat pumps are operated from the individual unit's electricity.

iii) Heat pump units are provided with insulated and uninsulated refrigerant lines.

iv) Drain lines from the air handlers for condensation are piped to indirect waste.

4. Number of Boilers and Description

i) There are no boilers for heating.

5. Fuel: Not Applicable.

6. Oil Tank: Not Applicable.

L. Gas Supply - (information provided by Jack Green Associates, MEP Engineers)

1. Gas is supplied by Con Edison.

2. Meter:

   i. A single meter will be provided for residential cooking.

   ii. A single meter will be provided for water heater and make up air unit. .

3. Piping: black iron Schedule 40 per code.

4 Gas Uses: Domestic Cooking in each apartment,

M. **Air Conditioning** - (information provided by Jack Green Associates, MEP Engineers)

1. Commercial Cellar/Basement: "Coolaire" split system model E5G3ASTA (condensing unit)/B5G3ASTA (air handling unit) with a 20 KW electric heater in the air handling section. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

2. 1st floor: "Mitsubishi" heat pump split system PUMY-P48NHMU (condensing unit) with (3) air handling units - model PKFY-P12NHMU, PKFY-P15NHMU and PVFY-P30E00B. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.The 6th and 7th floors will be air conditioned from individual rooftop air conditioning units (one per floor), with manufacturer similar to "Johnson Controls". The cooling system will be controlled through the unit space mounted thermostat.

3. 2nd to 5th floor: "Mitsubishi" heat pump split system PUMY-P48NHMU (condensing unit) with (2) air handling units model PEFY-P24NHMU and PEFY-P27NHMU. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

4. 6th floor: Outdoor unit "Johnson Controls" model D6EX048A25 with 15 KW electric heat. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

5. Mezzanine: Outdoor unit "Johnson Controls" model D6EQ060A25 with 25 KW electric heat. The heating/air conditioning system will be individually controlled by thermostats in each such unit. The heating/air conditioning system is designed in compliance with the standards set in the NYS Energy Code.

N. **Ventilation** - (information provided by Jack Green Associates, MEP Engineers)

1. Corridor to be to be heated and ventilated through a 100% outside air fan/ductwork system. Fan to be similar to "Greenheck" model 100-A, 200 CFM @ 0.75" SP, 1/3 HP, 120 Volts/1 phase.

2. Garbage Chute Room to be exhausted through a dedicated fan/ductwork system. Fan to be similar to "Greenheck" model 140-B, 100 CFM @ 0.8" SP, 1/3 HP, 120 Volts/1 phase.

3. Elevator Machine Room to be exhausted through a dedicated fan/ductwork system. Fan to be similar to "Greenheck" model 100-A, 150 CFM @ 0.8 SP, 1/4 HP, 120 Volts/1 Phase.

4. Exhaust for hoods at kitchens to be achieved through a dedicated fan/ductwork central system. Fan to be variable speed/frequency drive similar to "Greenheck" model SWB 210-15, 2100 CFM @ 0.75" SP, 1.5 HP, 208 Volts/3 Phase. Each hood to be equipped with its own exhaust fan (supplied with the hood).

5. Exhaust for toilets to be achieved through a dedicated fan/ductwork central system. Fan to be similar to "Greenheck" Model SFD-7.5-VG, 600 CFM @ 0.7" SP, 1/2 HP, 120 Volts/1 phase. Each individual bathroom to be locally exhausted into the central system through its own fan. Bathroom fan for the commercial space to be similar to "Greenheck" Model SP-A-200, 75 CFM @ 0.5" SP, 48 Watts, 120 Volts/1 phase. All residential individual toilet exhaust fans to be similar to "Greenheck" Model SP-A-250, 50 CFM @ 0.5" SP, 83 Watts, 120 Volts/1 Phase.

O. **Electrical Systems** - (information provided by Jack Green Associates, MEP Engineers)

1 Electrical service to the building will be provided by Con Edison at 120/208V, 3-phase, 4 wire to electric service switchboard and distribution panels throughout the building. The service is as follows:

a) House, commercial and Residential units will be provided with electrical service.

b) Typical apartment unit 2nd to 5th floors with meters: 200 Amp,120/208V, 1 phase, 3W, with panel. 6/7th floors apartment to be 200 A, 120/208 V, 3 phase, 4 wire, with panel.

c) House common space usage, such as elevators, -, light, heat and power and ventilation on PLP panel with separate meter;

d) Commercial space will be metered separately and provided with 200 A service rated at, 120/208 V, 3 phase, 4 wire, with panel.

2 Residential Units

a) The service to each residential unit from 2 to 5th floor will be single phase, 200 amp 3-wire, 120/208V 60Hz AC. Service for 6/7th floor apartments will be 3 phase, 200 Amp, 4 wire, 120/208 V, 60 Hz AC. Electric service will be supplied to each residential unit via tenants meter bank at Cellar level Electric Service Room.

b) The main service equipment shall be fusible switches as required by code.

c) All residential units shall be designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by the National Electrical Code, 2002 Edition, and NYC Amendments.

d) Switches lighting fixtures are provided in bathrooms, walk-in closets, foyers and kitchens. Fixtures are incandescent type in bathrooms and foyers, dining areas (where ceilings permit), and kitchens.

e) Multiple 20 ampere, 120V circuit shall be provided to handle lighting and general purpose receptacles.

f) 20 ampere, 120V circuits shall be provided in the kitchen area for 120V kitchen appliances.

g) Receptacles shall be provided in all rooms (average four (4) per room) and with ground fault circuit interruption in all bathrooms and kitchens, as per code.

P. **Intercommunication System** - (information provided by Jack Green Associates, MEP Engineers)

1) The building shall be provided with an audio and video intercom system with one master unit and camera at the main building entrance facing Ludlow Street and one individual monitor/speaker/door lock release unit in each residential unit.

2) System by Comelit or equal

3) Building will have 'virtual doorman' provided by 'American Security Systems" or equal. This type of system will allow remote building access for deliveries.

4) Building Access will be via electronic key fobs (Proximity fobs) TV Reception Facilities and Telephone Services:

- Digital or analog satellite or cable television service will be available to each purchaser on an individual subscription basis at a separate charge provided by the local publicly regulated franchised provider. High speed Internet access will also be made available at a separate charge provided by the local publicly regulated franchised provider. Location of outlets: Living room and in each bedroom.

5) The building will be pre-wired for telephone services. A jack will be located in the living room and bedroom(s) each unit

Q **Public Area Lighting**

1 Lighting will be provided at the building exterior entrance (Modern Forms Suspense Model WS-W19 LED Outdoor Sconce Luminiare), and there will be low voltage LED lighting in the lobby and public corridors (WAC Lighting Recessed HR-3LED-T118 and WAC Lighting Recessed HR-3LED-H18D-ICA).

2 Lighting in mechanical spaces and storage rooms will be Lithonia Lighting 2-Light High Output Multi-Volt T5 Fluorescent.

R Garages and parking areas - None

S Swimming pools - None

T Tennis courts, playgrounds and recreation facilities - None

U Permits and certificates

1 Conducted concurrently with construction with final sign-off at the issuance of the Certificate of Occupancy.

NYC Department of Buildings

I Elevator

II Mechanical and Plumbing

III Electrical

IV Fire Department

V Violations

1 There are four active Department of Buildings Violations at the date of this report. Any Building Code Violations issued by DOB or ECB will be corrected prior to the issuance of the Permanent Certificate of Occupancy.

2 No asbestos will be used in the construction of the building.

W Unit Information

1 The type and grade of finish materials will be the same for all units. Units will be painted white upon delivery. Wood flooring will be provided in living area. There will be tile floors in the kitchens and bathrooms. The ceilings will be painted gypsum board.

2 All bathrooms will be new and equipped with Kohler fixtures.

3 All kitchens will have ovens, cooktops, sinks, dishwashers, cooking hood/kitchen vent. All units will have a laundry closet with a stacked self-venting (condensate) washer dryer.

X Finish schedule of spaces other than units

1 Residential Lobby

I The floor shall be finished with – polished concrete. Walls shall be finished with painted gypsum, metal and wood trim. Entry doors to be anodized aluminum framing with tempered clear glass panels.

2 Interior of Residential Condominium Units

I Flooring to be ½" thick 2 1/2" wide pre-finished engineered wood flooring, with trim painted medium density fiberboard baseboard and decorative trim per plans. Walls to be 5/8" painted gypsum board. Ceilings to be 1/2" painted gypsum board.

3 Kitchens (All appliances are as specified below, equal or better)

I Refrigerator - Viking 36" Pro Series French Door Refrigerator, Stainless

II Dishwasher - BOSCH ASCENTA Dishwasher, Stainless

III Microwave - GE Profile Series 1.1 Cu. Ft. Countertop Microwave Oven

IV Kitchen sink - American Standard Prevoir Stainless Steel Undermount 1-Bowl Kitchen Sink

V Kitchen sink faucet - American Standard Colony Soft 2-Handle High-Arc Kitchen Faucet

VI Garbage Disposal - GE 1/3 HP Continuous Feed Garbage Disposer Non-Corded

VII Washer - BOSCH 24" Compact Washer Axxis

VIII Dryer - BOSCH 24" Compact Condensation Dryer Axxis

IX Kitchen Cabinets - Custom Cabinetry with all wood interior with finished Birch Veneer. Quartsawn Oak Exterior, custom color stain. Under-mount full extension drawer glides. Soft close doors and drawers. Dovetailed wood drawer boxes. Full overlay doors and drawers. Crown moldings and under cabinet mouldings.

X Floors - Stone, porcelain or ceramic tile

XI Walls - Stone, porcelain or ceramic tile

XII Countertop - Stone

XIII Ceiling - Painted gypsum board

XIV Lighting - Surface mounted at ceiling

XV Stove/Oven - RVGR3305BSS Viking 30" Gas Range with DA3480 Miele 30" Built in Retractable Hood

4 Bathroom(s)

I Bathtub - KOHLER Archer 5 ft. Right Drain Soaking Tub in White with KOHLER Clearflo Slotted Overflow Brass Bath Drain in Polished Chrome

II Steam Shower - American Standard Redi Base Shower Pan – 60" x 32" x 1-3/4"

III Pedestal Lavatory - American Standard Boulevard 24" Pedestal Sink

IV Cabinet Lavatory - Glacier Bay Renditions 24-3/4" Vanity in Java Oak

V Faucet - American Standard Tropic 2-Handle *" Widespread High-Arc Bathroom Faucet

VI Toilet: - American Standard Colony FitRight Round Front 1.6 gpf Toilet

VII Floor: Stone, porcelain or ceramic tile

VIII Walls: Stone, porcelain or Ceramic tile and painted wallboard

Y **Safety and warning devices** - (information provided by Jack Green Associates, MEP Engineers)

1 Combination Carbon Monoxide/Photoelectric/ionization type smoke detectors, hard wired, 120 volt shall be provided within 15 feet of each bedroom as per NYC Building Code, and in all other areas as required by code.

2 Sprinkler monitoring fire alarm system per NYC Building Code

Z **Additional information**

1 Site plan not required as the building covers the entire lot.

2 An area plan is not required because the building is in a highly urban area.

3 See attached floor plans – Appendix Z3-A – Z3-D

4 Ceiling heights (approximate finished floor to finished ceiling) are as follows

I	Cellar	8'-1 ½"
II	Basement	9'-11 ¾"
III	1st Floor	8'-5 ¾"
IV	2nd – 5th Floors	9'-3 ½"
V	6th Floor	
	a) East side	9'-3 ½"
	b) West side	14'-6" (approximate average under skylight)
	c) Below mezzanine	8'-0"

d) Mezzanine 8'-0"

5 Approximate unit floor areas are as follows

I	Basement Commercial Unit	2,323 SF
II	1st Floor Residential Unit	1,134 SF
III	2nd – 5th Floor Residential Units	1,132 S.F.
III	6th Floor residential unit	1,329 SF

6 See item 3 above

AA Not Applicable

BB **Further development** - The Sponsor does not intend to add additional units to the building, either above the existing roof, outside the existing building development, or by altering space within the building. Further, there are no additional development rights for this property based on the current regulations of the NYC Zoning Resoultion. Notwithstanding the foregoing statement, the building, as described in this report, was constructed by erecting five new stories above an existing two story commercial building. This report contains the details of that construction. The two story structure had sufficient capacity to support the additional load of the newly constructed additional stories.

1 No additional units are to be added.

2 As stated above, five new stories were erected above an existing two story commercial building as defined in this report.

I As stated above, the existing two story structure had sufficient capacity to support the additional load.

II Resulting building height is 79'-11".

3 Not applicable.

4 Not applicable.

5 Not applicable.

6 Not applicable.

CC **Asbestos**

1 There is no asbestos containing materials used in this project.

DD **Lead-based paint**

1 There are no products that contain lead-based paint being used in this project.

Signature of Architect

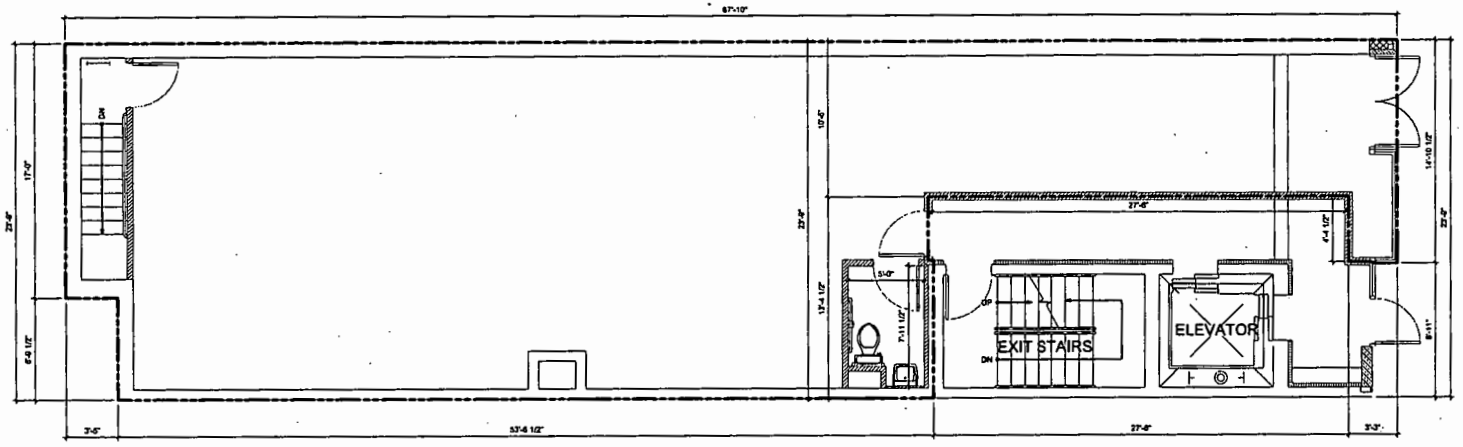
Kleinmann Architects, by:



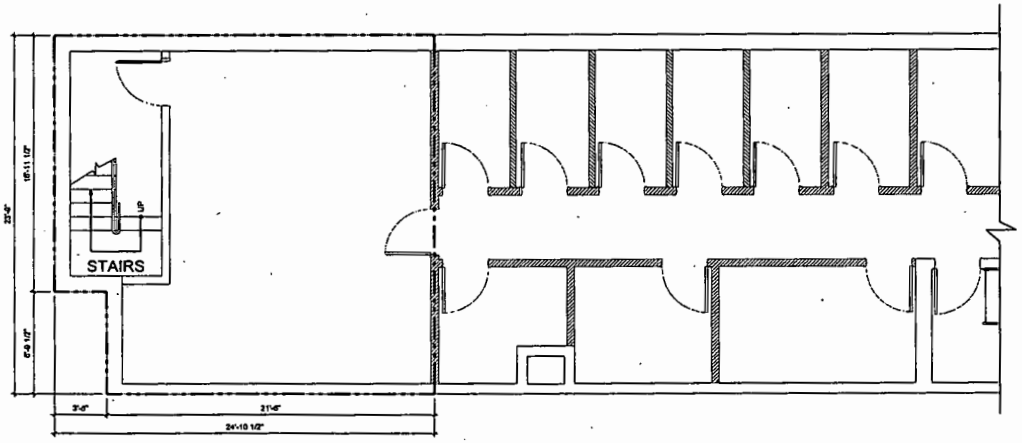
Joseph J. Kleinmann, AIA

Dated:

Notary



01 BASEMENT PLAN / COMMERCIAL UNIT: 1664 S.F.
1/8" = 1' - 0"



02 PARTIAL CELLAR PLAN - COMMERCIAL STORAGE: 568 S.F.
1/8" = 1' - 0"

MEASUREMENT NOTE

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

COMMERCIAL UNIT

COM. UNIT:	1664 S.F.
COM. STORAGE:	568 S.F.
TOTAL:	2,232 S.F.

DATE	REVISION	BY

JOSEPH J. KLEINMANN
ARCHITECT
74 BROAD STREET 4TH FL.
NEW YORK, NY 10007
212-877-8075
FAX 212-742-9500

PROJECT:
ER HOLDINGS
179 LUDLOW STREET
NEW YORK, NY 10002
B: 412 /L: 26

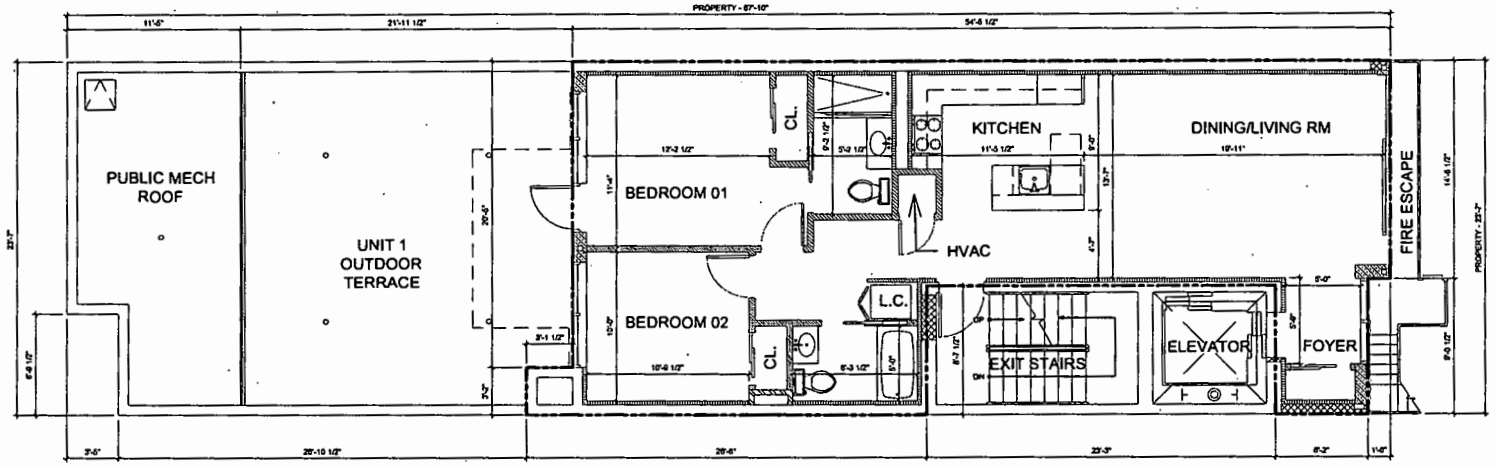
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COMMERCIAL UNIT

DATE 4/9/2014 DRAWN BY JV

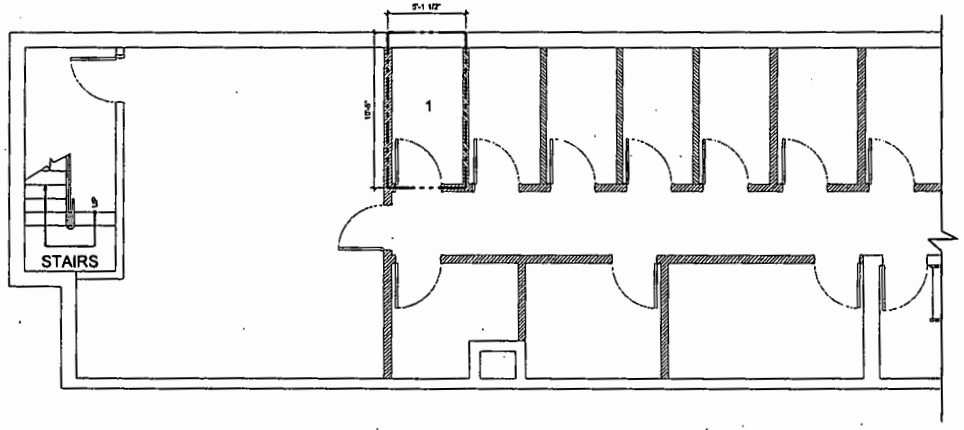
JOB NO. SCALE AS NOTED

SHEET NUMBER

APPENDIX Z3 - A



01 1ST FLOOR PLAN / UNIT 1: 1080 S.F.
1/8" = 1' - 0"



02 PARTIAL CELLAR PLAN - UNIT 1 STORAGE: 54 S.F.
1/8" = 1' - 0"

MEASUREMENT NOTE

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

RESIDENTIAL UNIT 1

UNIT 1:	1080 S.F.
UNIT 1 STORAGE:	54 S.F.
TOTAL:	1,134 S.F.

DATE	REVISION	BY

JOSEPH J. KLEINMANN
ARCHITECT
74 BROAD STREET 4TH FL.
NEW YORK, NY 10007
212-877-8075
FAX 212-742-9500

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TITLE
RESIDENTIAL UNIT 1

DATE 4/9/2014 DRAWN BY JV

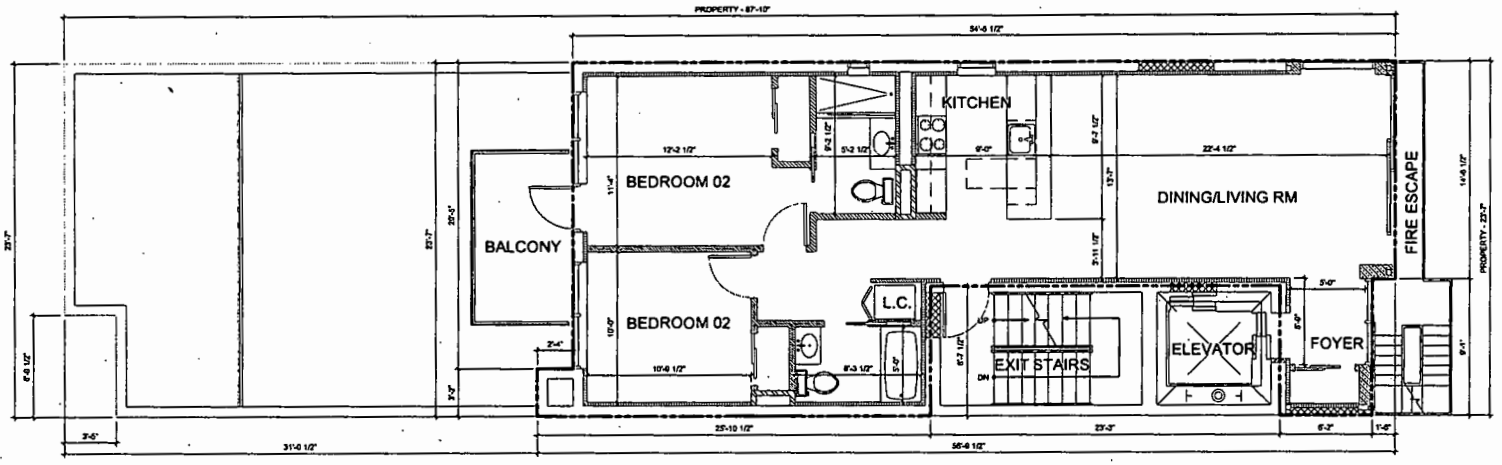
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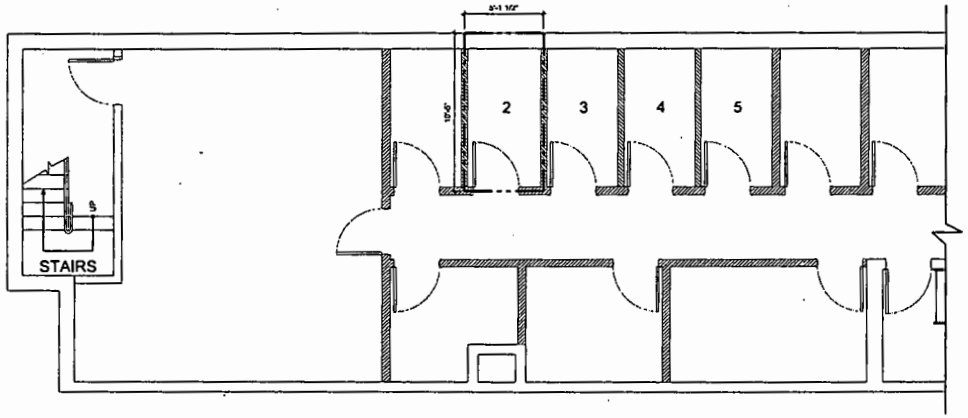
SEAL

SHEET NUMBER

APPENDIX Z3 - B



01 2ND FLOOR - 5TH FLOOR PLAN / UNIT 2 - 5: 1078 S.F. TYPICAL UNIT
1/8" = 1' - 0"



02 PARTIAL CELLAR PLAN - UNIT 2 - 5 STORAGE: 54 S.F. TYPICAL STORAGE UNIT
1/8" = 1' - 0"

MEASUREMENT NOTE

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

RESIDENTIAL UNITS 2 - 5 TYPICAL

UNITS 2-5 TYP. :	1078 S.F.
UNIT 2-5 TYP. STORAGE:	54 S.F.
TOTAL:	1,132 S.F.

DATE	REVISION	BY

JOSEPH J. KLEINMANN
ARCHITECT
74 BROAD STREET 4TH FL.
NEW YORK, NY 10007
212-877-8075
FAX 212-742-9500

PROJECT
ER HOLDINGS
179 LUDLOW STREET
NEW YORK, NY 10002
B: 412 /L: 26

TITLE
RESIDENTIAL UNIT 2 - 5

DATE 4/9/2014 DRAWN BY JV

JOB NO

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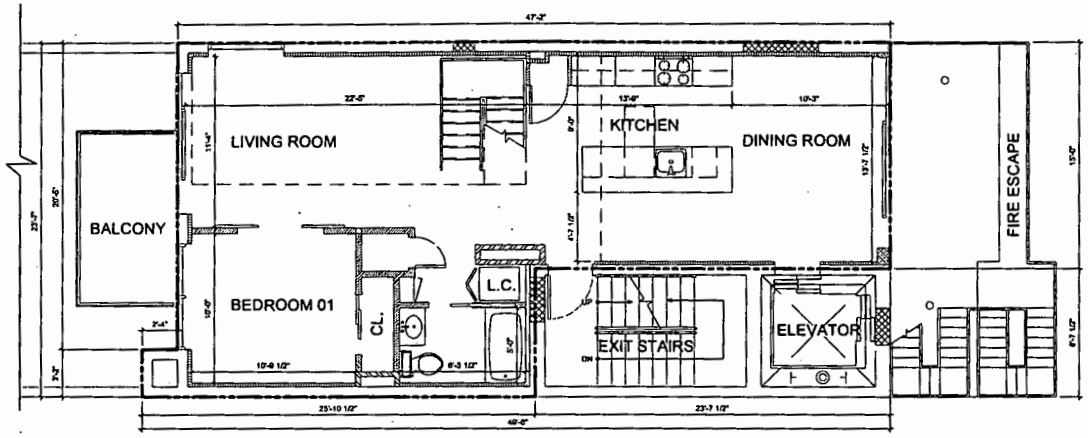
BR JOB#

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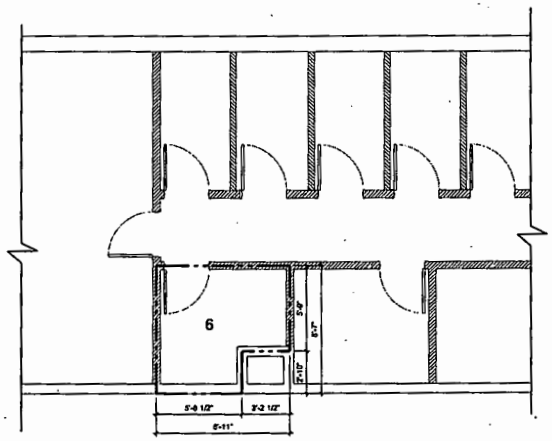
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APPENDIX Z3 - C

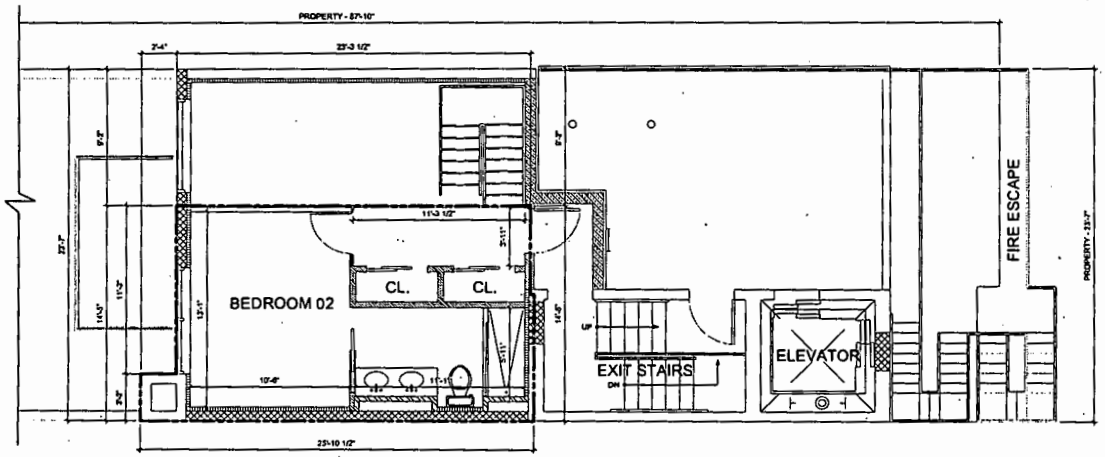
03 OF 04 SHEETS



01 6TH FLOOR PLAN / UNIT 6: 917 S.F.
1/8" = 1' - 0"



03 CELLAR PARTIAL PLAN - STORAGE - 67 S.F.
1/8" = 1' - 0"



02 6TH FLOOR MEZZANINE & ROOF PLAN / UNIT 6: 345 S.F.
1/8" = 1' - 0"

MEASUREMENT NOTE

THE UNIT DEMISING LINE IS LOCATED AT EXTERIOR OF THE WALL FOR EXTERIOR WALLS AND THE CENTERLINE OF INTERIOR WALLS SEPARATING TENANTS AND/OR PUBLIC SPACES.

RESIDENTIAL UNIT 6

6TH FLOOR:	917 S.F.
MEZZANINE:	345 S.F.
UNIT 6 TOTAL:	1,262 S.F.
STORAGE:	67 S.F.
TOTAL:	1,329 S.F.

DATE	REVISION	BY

JOSEPH J. KLEINMANN
ARCHITECT
74 BROAD STREET 4TH FL.
NEW YORK, NY 10007
212-877-8075
FAX 212-742-9500

PROJECT
ER HOLDINGS
179 LUDLOW STREET
NEW YORK, NY 10002
B: 412 /L: 26

TITLE
RESIDENTIAL UNIT 6

DATE 4/9/2014 Drawn BY JV

JOB NO

SCALE AS NOTED

BIN / BBL

SHEET NUMBER

APPENDIX Z3 - D

JGA | JACK GREEN ASSOCIATES
CONSULTING ENGINEERS

August 16, 2013

Mr. Frank Cumsky
179 Ludlow Holding LLC
2795 Westchester Avenue
Purchase, New York 10577
fcumsky@sageinvestors.com
cc:joseph@kleinmannarchitects.com
cc:jseplowitz@nyrm.net
cc: m.schiff@mschifflaw.com

RE: 179 Ludlow Street
Energy Analysis

Dear Mr. Cumsky:

As you requested, I am documenting an estimated energy analysis for the building located at 179 Ludlow Street.

The following are estimated energy and public utilities consumption costs for mixed occupancy building at Manhattan, NY.

A. ESTIMATED COST OF CON EDISON GAS

Central domestic hot water heating systems using gas.

1. Domestic Hot Water

   A. Annual gas cost: $7,000.00/YR

2. Gas for cooking for each apartment

   A. 30,000 BTU/HR (1 hour a day)
   B. Annual Gas Consumption 109.50 Therms/apt.
   C. Annual cost: $155.00/apt/yr.

B. ESTIMATED COST OF ELECTRICITY FOR COMMON USES

LOAD	KW	USE FACTOR	KW-HRS/YR
Lighting	3	70	18,396
Elevator	30	2	5,256
Fans, Motors, Ac, Etc	10	35	30,660

Cost: Total: 54,312 KW-HRS/yr x $0.22/KW=

TOTAL ANNUAL COST: $11,948/YR

C. ESTIMATED COST OF ELECTRICITY FOR INDIVIDUAL APARTMENTS

Typical apartments

1. Air Conditioning and Heating: $6,600.00 (30,000 KWHRS)
2. Other Electrical Loads:
   a) Lighting: 5,000 KWHRS
   b) Appliances: 1,200 KWHRS
   c) Total: 6,200 KWHRS: $1,364.00
3. Total annual cost: $7,964.00/yr

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

D. ESTIMATED COSTS OF WATER AND SEWER

1. Annual water use: 460,000 Gals or 61,330 Cu. Ft.
2. Annual water and sewer charges: $5,685/yr
3. Cost estimates are based upon the combined water and sewer rate of $9.27 per 100 Cu. Ft.

E. GENERAL

I. The costs of electrical energy are based upon the following assumptions:

1. Estimated air conditioning cost based on average electrical demands of 1.5 KW per ton of refrigeration. Each unit is assumed to operate 800 equivalent full load hours a year.

   All rooms are air conditioned with 1 ton of refrigeration covering 400 sq. ft. of floor area.

2. Electricity use other than air conditioning is estimated as follows:

   a. Lighting cost was based on New York City Electrical Code requirements of 3 watts per square foot, and assumes average unit shall utilize 50% of all lamps approximately 4 hours per day, 365 days per year.

   b. Appliances are assumed to be 5.0 KW per apartment with average use of 0.5 hours per day, 365 days per year. Appliances include: dishwasher, 25 Cu.Ft. refrigerator, TV's, radios, other small appliances.

II. Consolidated Edison Co. Natural Gas Rates: $1.40 per therm Average

Very truly yours,
Jack Green Associates

Lawrence Green, P.E.

Z:\admin\LETTER\179 Ludlow Street- 7-30-13.doc

DOCUMENT NUMBER 5

CONDOMINIUM UNIT DEED

THIS INDENTURE, made the _____ day of _____ 200 ____, by and between 179 Ludlow Holding LLC, having an office at 5600A Broadway, Bronx, New York 10463 (hereinafter referred to as the "Grantor") and _____, residing at _____ _____(hereinafter referred to as the "Grantee").

WITNESSTH:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (hereinafter referred to as the "Unit") known as Unit No. ____ in the building (hereinafter referred to as the "Building") known as 179 Ludlow Street Condominium and by the street number 179 Ludlow Street, Borough of Manhattan, City of New York, County of New York and State of New York, said Unit being designated and described at Unit No. ____ in a certain declaration dated _____, 2014, made by Grantor pursuant to Articles 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act"), establishing a plan for condominium ownership of the Building and the land (hereinafter referred to as the "Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Clerk's office on _____, 2014, as Document Number_____ (and has been amended as set part hereof)1 (which declaration and amendments thereto are hereinafter collectively referred to as the "Declaration"). This Unit is also designated as Tax Lot _____ in Block 412 of the County of New York and on the Floor Plans of the Building, certified by Joseph Kleinmann, R.A. on _____, 2014, and filed with the Clerk of the County of New York _____, 2014 as Condominium Plan No. _____;

TOGETHER WITH an undivided _____% interest in the Common Elements of the Property described in said Declaration.

The within premises are improved by a one-family residential condominium unit, only.

And the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

And the Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund 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 os the same for any purpose.

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.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as the "Grantees" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this indenture as of the day and year first above written.

179 Ludlow Holding LLC

By:_____
Michael Goldberg, Member, Grantor

_____
Grantee

_____
Grantee

STATE OF NEW YORK)
ss.:
COUNTY OF New York)

On the day of in the year before me, the undersigned personally appeared Michael Goldberg, 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 his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
ss.:
COUNTY OF New York)

On the day of in the year 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 his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT A TO CONDOMINIUM UNIT DEED

DESCRIPTION OF THE LAND

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, County of New York and State of New York, known and designated on a map entitled "Map of the Estate of Egerton L. Winthrop, deceased, in the 17th Ward of the City of New York" made by Thomas R. Ludlam, C.E. on February 29, 1840 and filed in the Office of the Register of the City and County of New York, February 23, 1941 as Map No. 123 by the Lot No. 15 and bounded and described as follows:

BEGINNING at a point on the northwesterly side of Ludlow Street distant 124 feet southwesterly from the intersection of the southwesterly side of Houston Street with the northwesterly side of Ludlow Street;

RUNNING THENCE southwesterly along Ludlow Street 23 feet 10 inches;

THENCE northwesterly on a line parallel with Houston Street 87 feet 10 inches to the center line of the block;

THENCE northeasterly along the center line of the block parallel with Ludlow Street 23 feet 10 inches;

THENCE southeasterly on a line parallel with Houston Street 87 feet 10 inches to the point or place of **BEGINNING**.

DOCUMENT NUMBER 6

EXHIBIT E TO THE DECLARATION OF 179 LUDLOW STREETCONDOMINIUM

UNIT OWNER'S POWER OF ATTORNEY

Any terms use in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a plan for condominium ownership of the premises known both as 179 Ludlow Street Condominium and by the street 179 Ludlow Street, New York, New York, under Articles 9-B of the Real Property Law of the State of New York, dated _____, 2014, and recorded in the New York County Clerk's office on _____, 2014 as CRFN# _____ _____ (hereinafter referred to as "Declaration"), or (b) in the By-Laws of 179 Ludlow Street Condominium (hereinafter referred to as the "By-Laws") attached to recorded together with, the Declaration, shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned _____, residing at _____, the owner of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") known as Unit No. ____ in 179 Ludlow Street Condominium, being designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot _____, in Block 412 of the County of New York on the Floor Plans, (does)1 hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys in fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with the Unit Owner's respective Commons Interests, subject to the provisions of the By-Laws then in effect, (1) Common Interests, subject to the provisions of the By-Laws then in effect, (1) (a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender the same pursuant to the terms of paragraph (C) of Section 6.2 of the By-Laws, (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of subdivision (a) or (c) of this paragraph) at such price or at such rental, as the case may be, as said attorneys in fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by the, on such terms as said attorneys in fact may determine, granting to said attorneys in fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law,

ordinance, regulations, zoning, resolution, or requirement of the Building Department of the City of New York, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements, that 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.

The undersigned (does) (do)2 hereby irrevocably nominate, constitute and appoint Sponsor as attorney in fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws and the Rules and Regulations of the said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 12 of the Declaration or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any Unit in _____.

IN WITNESS WHEREOF, the undersigned (have) executed this Unit Owners' Power of Attorney as of the _____ day of _____, 2014.

_____

_____

STATE OF NEW YORK)
ss.:
COUNTY OF New York)

On the day of in the year before me, the undersigned personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that 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 of in the year before me, the undersigned personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his capacity, and that his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

DOCUMENT NUMBER 7

MODEL ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 20___, by and among _____ ("PURCHASER"), 179 Ludlow Holding LLC ("SPONSOR"), as sponsor of 179 Ludlow Street Condominium offering plan ("Plan") and Marshall S. Schiff, Esq. ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale of condominium ownership interests at the premises located at [179 Ludlow] Street, New York, New York, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-(h) and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT has established an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of units (the "Purchase Agreement") at Signature Bank, located at 360 Hamilton Avenue, White Plains, New York 10601, State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled 179 Ludlow Street Condominium Escrow Account ("Escrow Account"). The account number is _____.

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Marshall S. Schiff. All designated signatories are admitted to practice law in the State of New York.

All of the signatories on the Escrow Account have an address of One North Broadway, White Plains, New York 10601, and a telephone number of 914-997-6767.

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing .

1.5 The Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of Marshall S. Schiff, Esq., as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-3(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the unit;

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then

Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the unit is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT, and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352(e)(2-b) and 352(h).

5.3 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT

to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the unit to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by PURCHASER, using such transmittal forms as required by ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

6.3 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-(h)and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

_____
Name: Marshall S. Schiff, Esq.

SPONSOR

179 Ludlow Holding LLC

By: _____
Name: Michael Goldberg
Title: Member

PURCHASER

[INSERT NAME]

By: _____
Name: _____
Title: _____

DOCUMENT NUMBER 8

CERTIFICATIONS

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
New York, New York 10271

Att: Real Estate Financing Bureau

Re: 179 Ludlow Street Condominium
179 Ludlow 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 responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for making this certification. We jointly and severally certify that the offering plan for the condominium does, and that all documents submitted by us which amend or supplement the offering plan for the condominium 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 of sale; (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; (vii) not contain any representation or statement which is false, where I/We: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations 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.

179 Ludlow Holding LLC

By: _____
Michael Goldberg, Member

SPONSOR'S PRINCIPALS:

_____
Michael Goldberg

Sworn to before me this
10th day of October, 2013

_____
Notary Public

MARSHALL S. SCHIFF
Notary Public, State of New York
No. 02SC4731513
Qualified in Westchester County
Commission Expires 08/31/2014

CERTIFICATION OF SPONSOR'S ENGINEER OR ARCHITECT PURSUANT TO PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
New York, New York

Att: Real Estate Financing Bureau

Re: 179 Ludlow Street Condominium
179 Ludlow Street
New York, New York

Dear Sir/Madam:

The undersigned, an Architect registered in New York State, certifies as follows:

The sponsor of the offering to convert the captioned property to a condominium retained me/our firm to prepare a report describing the construction of the property (the "Report"). We visually inspected the property on 12/13/2013, and reviewed/prepared the Plans and Specifications dated 4/22/2013 and prepared the Report dated 1/10/2014, copies of which are intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a Registered Architect in the State of New York.

I/We understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I/we certify that the Report:

a. sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of the construction provided that construction is in accordance with the plans and specifications that I/we examined;

b. in my professional opinion, affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning

description and/or the physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I/we examined;

c. does not omit any material fact;

d. does not contain any untrue statement of a material fact;

e. does not contain any fraud, deception, concealment or suppression;

f. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

g. does not contain any representation or statement which is false, where I/we (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; (d) did not have knowledge concerning the representations or statements made.

I/we further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/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.

Joseph Kleinman Architects, PC

By: _____
Joseph Kleinman

Sworn to before me this
17th day of January, 2014.

_____

Seal:

VERONIKA TURKEVICH
NOTARY PUBLIC-STATE OF NEW YORK
No. 01TU6229558
Qualified in Kings County
My Commission Expires October 12, 2014

CERTIFICATION OF SPONSOR'S EXPERT
PURSUANT TO PART 20 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW
ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
New York, New York 10271

Attention: Real Estate Financing Bureau

Re: 179 Ludlow Street Condominium

Dear Sir/Madam:

The sponsor of the captioned condominium retained me/our firm to review Schedule B and B-1 containing projections of income and expenses for the first year of operation as a condominium. My/Our experience in this field includes:

Presently managing approximately 12 condominium and/or apartment buildings including:

- 2077 5th Avenue (NY County) - 13 unit condominium building
- 1415-1417 Wythe Place (Bronx County) - 60 unit apt. building
- 2828 Valentine Avenue (Bronx County) - 42 unit apt. building

I/We understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to this Report.

I/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. I/We also have relied on my/our experience in managing similar residential operations.

I/We have certified that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income will be sufficient to meet the anticipated operating expenses for the projected first year of operations as a condominium.

I/We certify that the Schedule:

i. sets forth in detail the transaction as it relates to the Schedule and is complete, current and accurate;

ii. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property;

iii. does not omit any material fact;

iv. does not contain any untrue statement of a material fact;

v. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

vi. does not contain any representation or statement which is false, where I/We (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

I/We further certify that I/We are not owned or controlled by the sponsor. I/We understand that a copy of this certification is intended to be incorporated into the offering plan. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Hartley Friedman

Sworn to before me this
day of October, 2013

Judith Campbell
Notary Public

JUDITH CAMPBELL
Notary Public, State of New York
No. 01CA5073100
Qualified in Westchester County
Commission Expires Feb. 18, 2015

CERTIFICATION OF SPONSOR'S EXPERT
PURSUANT TO PART 20 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW
ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
New York, New York 10271

Attention: Real Estate Financing Bureau

Re: 179 Ludlow Street Condominium

Dear Sir/Madam:

The sponsor of the captioned condominium retained me/our firm to review Schedule B and B-1 containing projections of income and expenses for the first year of operation as a condominium. My/Our experience in this field includes:

Presently managing approximately 12 properties including:

- 2077 5th Avenue (New York County) - 13 Unit Condominium
- 1415-1417 Wythe Place (Bronx County) - 60 Unit apartment building
- 1212 Grand Concourse (Bronx County) - Mixed-Use building with approximately 60 residential apartments and 6 stores.
- 3720 Riverdale Avenue (Bronx County) - Commercial Taxpayer
- 2828 Valentine Avenue (Bronx County) - 42 unit apartment building

I/We understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to this Report.

I/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. I/We also have relied on my/our experience in managing similar residential operations.

I/We have certified that the projections in Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income will be sufficient to meet the anticipated operating expenses for the projected first year of operations as a condominium.

I/We certify that the Schedule:

i. sets forth in detail the transaction as it relates to the Schedule and is complete, current and accurate;

ii. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property;

iii. does not omit any material fact;

iv. does not contain any untrue statement of a material fact;

v. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

vi. does not contain any representation or statement which is false, where I/We (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

I/We further certify that I/We are not owned or controlled by the sponsor. I/We understand that a copy of this certification is intended to be incorporated into the offering plan. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Harley Friedman

Sworn to before me this
14 day of ~~October~~ March 2014

Notary Public

MARSHALL S. SCHIFF
NOTARY PUBLIC, State of New York
No. 60-4731513
Qualified in Westchester County
Term Expires August 31, 2015