CONDOMINIUM OFFERING PLAN FOR
The Seymour Condominium

261 West 25th Street
New York, New York 10001

TOTAL INITIAL OFFERING PRICE OF THE 49 RESIDENTIAL UNITS OFFERED FOR SALE HEREBY:	$115,835,000
TOTAL INITIAL OFFERING PRICE OF THE 17 STORAGE BIN LICENSES OFFERED FOR SALE HEREBY:	$370,000
AGGREGATE INITIAL OFFERING PRICE:	$116,205,000

(The Condominium consists of 49 Residential Units and includes 17 Storage Bins available for licensing.)

Sponsor

261 Owner LLC
c/o The Naftali Group
1700 Broadway, 16th Floor
New York, New York 10019

Selling Agent

Stribling Marketing Associates LLC
924 Madison Avenue
New York, New York 10021

Sales Office

Stribling Marketing Associates LLC
142 West 23rd Street
New York, New York 10011

Date of Acceptance for Filing: July 8, 2014

The term of the initial offering of this Plan commenced on July 8, 2014 and expires on July 7, 2015 unless said date is extended in a duly filed amendment.

SEE PAGE (vi) FOR SPECIAL RISKS TO PURCHASERS.

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. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

THIS OFFERING PLAN IS THE 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.

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

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SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Use Provisions

The Seymour Condominium will initially consist of 49 Residential Units, 17 resident Storage Bins available for license and the Common Elements. The Residential Units (and their appurtenant interest in the Common Elements) and Storage Bin Licenses are offered pursuant to the offering plan. Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Declaration (Exhibit 6 hereto) or the By-Laws (Exhibit 7 hereto).

The Residential Units may only be used for residential purposes, and subject to compliance with the By-Laws, for a lawful home occupation. Except with respect to Unsold Residential Units, the Residential Units may be leased by the Unit Owners thereof to tenants only for periods of one year or longer, as provided in the By-Laws. Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing Certificate of Occupancy for the Building. While a Certificate of Occupancy has not yet been issued for the Building it is anticipated that the Certificate of Occupancy will not permit transient occupancy.

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the New York City Department of Buildings of a violation against the Building along with imposition of an associated fine, which fine shall be paid by the violating Unit Owner as more particularly set forth in By-Laws. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

2. Use of Unsold Units

Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Residential Unit for any lawful purpose, including, but not limited to, the use of any Unsold Residential Unit as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units, subject to compliance with applicable Legal Requirements.

3. Purchaser Deposits; Defaults by Purchasers

At the time an agreement for the option to purchase a Residential Unit (an "Agreement") is executed, the Purchaser thereunder is required to make a payment in an amount equal to 10% of the purchase price set forth therein (the "Initial Deposit"); and an additional payment equal to 5% of such purchase price (the "Additional Deposit") is due and payable no later than the earlier to occur of: (x) six months after the date of the Agreement; or (y) 30 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Deposit and the Additional Deposit due and payable upon execution of the Agreement. The Deposit for the purchase of a Storage Bin License is 15% of the gross purchase price of the Storage Bin License. The term "Deposit" as used herein refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit, as well as in connection with the purchase of a Storage Bin License. Notwithstanding the foregoing, if a Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser will be required to make an Initial Deposit equal to 50% of the applicable purchase price and will not be required to make an Additional Deposit. All Deposits or advances made by Purchasers prior to closing of each individual transaction will be placed, within five business days after the Agreement is signed by all necessary parties, or within five business days after receipt, in the case of Deposits or advances made subsequent to the execution of the Agreement, in a segregated special escrow account (the "Escrow Account") of Kramer Levin Naftalis & Frankel LLP, having an office at 1177 Avenue of the Americas, New York, New York 10036. The Escrow Account, established at TD Bank, N.A., 317 Madison Avenue, New York, New York 10017 (the "Bank"), is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any Deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank, the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the FDIC's maximum coverage.

In the event that a Purchaser fails to close title on the date set for closing or Purchaser otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may cancel such Agreement and retain as liquidated damages the Deposit made by the Purchaser and any interest earned on the Deposit, as well as any amounts paid by Purchaser for additional work in the Residential Unit, together with interest earned thereon, if any. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Agreement: (a) the closing apportionments to be made at the closing will be made as of midnight of the day preceding the originally scheduled closing date; and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.04% of the Purchase Price of the Residential Unit(s) in question for each day that the closing is adjourned.

(See the Sections entitled "Procedure to Purchase" and "Terms of Sale" in Part I of the Plan for further discussion.)

4. No Financing Contingency

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

5. Liquidated Damages

The Deposit, and all other amounts paid by a Purchaser to Sponsor pursuant to the Agreement and/or the Plan in connection with the purchase of a Unit, shall be such Purchaser's own funds (and not those of a third party). In the event of a default and the election by Sponsor to terminate the Agreement and retain the Deposit as its remedy, the Deposit previously paid (together with any interest thereon) shall be retained by Sponsor (subject to the terms of the Plan), as liquidated damages, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to and retained by Sponsor. In such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

6. Control by Sponsor; First Meeting

The powers and duties necessary for or incidental to the administration of the affairs of the Condominium will be vested in the Board. Sponsor will be entitled to designate a majority of the members of the Board at elections occurring until the later to occur of: (i) the fifth anniversary of the first closing of title to a Residential Unit by Sponsor pursuant to an Agreement (the "First Closing"); or (ii) the closing of title to Residential Units representing more than 90%, both in number and in aggregate Common Interests, of all Residential Units.

Therefore, during this period (the "Sponsor Control Period") Sponsor will be able to control the maintenance and operation of, and services to be provided by, the Condominium; provided, however, that any changes made by Sponsor to Schedule B – "Projected Budget for First Year of Condominium Operation" set forth in the Plan (the "First Year's Budget") must provide for the same level of services disclosed in Schedule B – "Projected Budget for First Year of Condominium Operation". Sponsor will also be able to control the determination of the Common Charges to be paid by all Unit Owners. Moreover, during the Sponsor Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in the First Year's Budget; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium or unless any such borrowing is approved by the owners of Units representing at least 75% both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other reasonable alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

The Board shall initially consist of three members designated by Sponsor from time to time until the first annual meeting of Unit Owners (the "First Annual Meeting"), at which time the incumbent Board will resign and a new five member Board will be installed. The First Annual Meeting shall be held not later than 30 days following the earlier to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units. From and after the First Annual Meeting, the Board will consist of five members elected and/or designated by the Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below).

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit. In addition, until the expiration of the Sponsor Control Period, three of the five members of the Board otherwise to be elected by the Unit Owners, shall be designated by Sponsor and/or its designee (or other Unsold Residential Unit Owner) which members may be related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner(s) and the remaining two members, who shall not be related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner(s), shall be elected by the Unit Owners.

Notwithstanding the foregoing, because Sponsor reserves the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15%

necessary to declare this Plan effective, and thus, the Sponsor Control Period may never conclude and owner-occupants may never gain effective control and management of the Condominium.

As a result of the foregoing, there is no provision in the By-Laws for a majority of the Board to be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals within two years after the First Closing. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

7. Interim Service Period

Prospective Purchasers are advised that until 12 months after the First Closing, some of the services and facilities described in the Plan may not be available, (specifically, full staff of building personnel, the Fitness Center, Roof Residential Outdoor Space, Residents' Garden, Lounge, Library, Laundry Room, Storage Bins, and Bicycle Storage). However, it is anticipated that at all times after the First Closing, the lobby will be attended 24 hours a day, 7 days a week, and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building.

8. Additional Building Work

Purchasers are further advised to note that construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical, electrical, plumbing and other systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular Purchaser's Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Unit Owners within their Units (to perform custom renovations, etc.). During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction or renovation work, making adjustments and performing various other tasks related to the completion of Sponsor's construction work at the Building, fitting out of, and moving into, the Units and other portions of the Building. Various systems may be disrupted temporarily from time to time (specifically, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators). Residential elevators may be taken out of service and, along with personnel, diverted to facilitate construction and renovation, and exterior hoists or scaffolding may be in place, during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction and renovation being performed in Units by the Unit Owners thereof. Various other adjustments, to windows and elevators and other systems may require 18 months or more after the First Closing to complete.

Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. However, at all times Sponsor's work will be in compliance with applicable Legal Requirements as to working hours (except in the event of an emergency), each Unit Owner in occupancy will have proper means of ingress and egress to and from such Unit Owner's Unit, and any construction debris shall be promptly removed.

Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners (specifically, full staff of building personnel, the Fitness Center, Roof Residential Outdoor Space, Residents' Garden, Lounge, Library, Laundry Room, Storage Bins, and Bicycle Storage) may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued by the Board (after Sponsor control or if not determined by Sponsor) or Unit Owners in the future (after having been instituted) or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Unit until such time as Sponsor's construction work at the Building has been completed and permanent Certificate(s) of Occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about January 1, 2016. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months of the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation

(being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2016), then in either case Sponsor will offer all affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit will take place prior to the Plan being declared effective.

9. Resident Manager

The Condominium does not include a Resident Manager's Unit and there is not anticipated to be a Resident Manager. In accordance with the Administrative Code of the City of New York, Section 27-2052, et seq., the Condominium Board shall be required to employ a super residing within a distance of one block or 200 feet from the dwelling, whichever is greater, to provide janitorial services, or otherwise engage a third party to perform janitorial services on a twenty-four-hour-a-day basis. The Schedule B – "Budget for the First Year of Condominium Operation" provides for Kent Services, Inc., located at 150 West 28th Street, Suite 1303, New York, New York 10001 to provide a Visiting Manager/Super and related maintenance services available on a twenty-four-hour-a-day basis. See the Schedule B in Part I of the Plan for more information.

10. Prohibition Against Advertising and Resale

Purchasers are prohibited from listing their Residential Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Residential Units for sale prior to the closing of title thereto. In addition, for a period of 12 months after the Closing of a Residential Unit, the Purchaser of the Unit is prohibited from advertising, listing or selling such Unit.

11. No Bond or Other Security

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

12. Sponsor's Right to Lease Unsold Residential Units

Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at

closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of Units offered for sale (i.e., eight Residential Units) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium. (See the Sections entitled "Introduction", "Effective Date" and "Condominium Board" in Part I of the Plan for further discussion.)

13. Transfer Taxes; Mansion Taxes; Closing Costs

Purchasers shall be obligated (as is customary in condominium offerings) to pay at the closing of title to their Unit(s) the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently, for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax is 1% of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Residential Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently (as of the date of the filing of this Plan) 1% of the total consideration paid when such consideration is $1,000,000 or more, which tax by law is the primary obligation of the Purchaser. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments.

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

14. Reserve Fund/Working Capital Fund

Except as set forth in Schedule B below, no reserve fund is being established for the Condominium because the Building will be newly constructed. The Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to continue such reserve or create a separate reserve fund by special assessment or by increases in Common Charges. A Working Capital Fund will be established through payments made therefor by each Purchaser at Closing to be held or used for working capital and for such other appropriate purposes as the Board may determine. (See the Sections entitled "Working Capital Fund" and "Reserve Fund" in Part I of the Plan for further discussion.)

15. Real Estate Taxes

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

16. Closing Fees and Costs

All legal costs, fees and expenses charged by each Purchaser's attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Kramer Levin Naftalis & Frankel LLP ("Sponsor's Counsel"), in connection with the closing of title to such Purchaser's Unit. For each Unit, the sum of $3,250 shall be payable to Sponsor's Counsel as a legal fee in connection with the closing of title of the Purchaser's Unit, and for each issuance of a Storage Bin License, the sum of $500 as a legal fee in connection with processing the issuance of such Storage Bin License. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) $500 if the closing is held elsewhere in Manhattan; and (b) $750 if the closing is held in a borough other than Manhattan. In addition, the Purchaser will be required to pay: (i) if the closing is adjourned through no fault of Sponsor, to Sponsor's Counsel an additional fee of $600 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement; (iii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's Counsel an additional fee of $500 to defray the additional costs associated therewith; and (v) Purchaser shall pay Sponsor's Counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under §1031 of the Internal Revenue Code. Other additional charges may apply. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's

Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. (See the Section entitled "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.)

17. No Warranty

Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering.

Notwithstanding the foregoing, Sponsor is obligated to complete its construction work at the Building substantially in accordance with the provisions of this Plan, all applicable Legal Requirements (as hereinafter defined), and the Description of Property which is Exhibit 4 in Part II of the Plan. Any conflict between the disclaimer in this Special Risk and Sponsor's obligations described therein shall be resolved in favor of the latter. The term "Legal Requirements" as used herein means all laws, statutes and ordinances (including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the Landmarks Preservation Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof, all as more fully provided in the By-Laws. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

18. Insurance

The Board is not required to obtain or maintain any insurance with respect to damage by fire or other casualty to any element of, or any property contained in, any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (a) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings, and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. (See the Section entitled "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion.)

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

19. Waiver of Diplomatic or Sovereign Immunity

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

20. Certificate of Occupancy

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent Certificate of Occupancy covering the entire building but with only a temporary Certificate of Occupancy, and sometimes with several successive temporary Certificates of Occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both temporary Certificates of Occupancy and permanent Certificates of Occupancy are issued by the Department of Buildings. A temporary Certificate of Occupancy is intended to indicate that the property is safe for occupancy, but means that not all of the construction or renovation work and/or inspections have been performed, or that not all of the required documents have been submitted to the Department of Buildings. All temporary Certificates of Occupancy have an expiration date. A temporary Certificate of Occupancy typically expires 90 days after the date of issuance. When a temporary Certificate of Occupancy expires and is not renewed, it may be difficult or impossible to buy insurance, 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 temporary Certificate of Occupancy rather than a permanent Certificate of Occupancy. Sponsor anticipates this scenario will occur. Sponsor will undertake the responsibility for extending each temporary Certificate of Occupancy received prior to expiration thereof, and ultimately for obtaining a permanent Certificate of Occupancy covering the entire building which Sponsor will endeavor to do within two years from the date of the issuance of the first temporary Certificate of Occupancy. However, Sponsor makes no representation or guarantee that the Department of Buildings will issue the permanent Certificate of Occupancy within such two year period. Notwithstanding the foregoing, Sponsor is obligated to procure the permanent Certificate of Occupancy for the entire building, and shall exercise reasonable efforts to obtain the permanent Certificate of Occupancy within such two year period while keeping the temporary Certificate of Occupancy current. Sponsor will, at its sole expense, do and perform, or cause to be done and performed, all such work (subject to events and circumstances beyond Sponsor's reasonable control, e.g., casualty, strikes, governmental restrictions, acts of god, etc.), and will supply, or cause to be supplied, all such materials, and will submit or cause to be submitted all such documentation, and shall pay all applicable fees required by the Department of Buildings that shall be necessary in order to cause

the temporary Certificate of Occupancy to be continuously renewed until a permanent Certificate of Occupancy for the Building has been issued, as well as to obtain any requisite certificates or permits relative to the electrical work, plumbing, heating and air-conditioning facilities and elevators at the Building. Unit Owners and the Board shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings. Purchasers are advised that Sponsor may prohibit a Unit Owner from performing alterations to a Unit until such time as a permanent Certificate of Occupancy has been issued for the Building.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of a permanent Certificate of Occupancy, such renovations may cause additional delays in the issuance thereof, including a delay beyond two years from the date of the issuance of the first temporary Certificate of Occupancy. Notwithstanding the forgoing, Sponsor is obligated to procure the permanent Certificate of Occupancy.

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

Sponsor will apply for a temporary Certificate of Occupancy from the Department of Buildings prior to the First Closing, potentially on a phase by phase, floor by floor, or area by area basis, and will also apply for a permanent Certificate of Occupancy after substantial completion of Sponsor's construction work at the Building.

(See, the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

21. Terraces

Terraces and balconies (collectively, "Terraces") are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Terrace, as the case may be, is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time.

In addition to Terraces immediately adjacent to the appurtenant Units, three Terraces are located on the roof of the Building, each for the exclusive use of a Unit Owner as follows: one Terrace is for the exclusive use of the Unit Owner of PH A, designated as "PH A Private Terrace" on the Floor Plans; one Terrace is for the exclusive use of the Unit Owner of PH B, designated as "PH B Private Terrace" on the Floor Plans; and one Terrace is for the exclusive use of an owner of a Unit to be identified subsequent to the filing date of the Plan, identified as "Private Terrace" on the Floor Plans (the "3rd Private Terrace"). Sponsor, in connection with the sale of an Unsold Residential Unit, will designate the Unsold Residential Unit to which the 3rd Private Terrace is appurtenant in its complete discretion, and shall amend the Plan to reflect such designation. Sponsor reserves the right from time to time to redesignate the Unsold Residential

Unit to which the 3rd Private Terrace is appurtenant, which redesignation will be reflected in an amendment to the Plan, except that Sponsor may not change the identity of the Unit to which the 3rd Private Terrace is appurtenant where there then exists an executed Agreement for such Unit and Purchaser is not then in default. The designation or redesignation of the Unit to which the 3rd Private Terrace is appurtenant will not require or result in a recalculation of Common Interest among the Units.

Unit Owner of a Unit containing a Terrace shall be responsible for all ordinary maintenance and cleaning of the Terrace appurtenant to its Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense. (See "Description of the Property and Improvements" and "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion.)

22. Lot Line Windows

Prospective Purchasers are advised that the following Residential Units contain "lot line windows": Units 9A, 9B, 9C, 10A, 10B, 10C, 11A, 11B, 12A and 12B. These windows are provided with sprinklers, but may be required to be reduced in size or sealed if the adjoining property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having lot line windows have other windows that, under the existing building codes, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. In the event any of such lot line windows must be reduced in size or sealed, the owner of the affected Residential Unit shall solely bear the costs relating to such reduction or closure. As of the filing date of this Plan, Sponsor estimates the cost of same to be approximately $4,000 per window.

23. Window Treatment and Washing

In order to promote a consistent appearance of the Building from the outside, each Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

The Building does not feature a window washing rig. The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the Building's windows. (See the

Sections entitled "Introduction" and "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion).

24. Mechanical Equipment

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

25. Treatment of Wood Floors

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

26. Maintenance of Stone Surfaces

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

27. Management Agreement

It is contemplated that at or prior to the First Closing, the Board will enter into a management agreement (the "Management Agreement") on behalf of the Unit Owners with TNG Management, LLC (the "Managing Agent"), having its principal office at 65 Maspeth Avenue, Suite 1A, Brooklyn, New York, 11211 to act as Managing Agent with respect to the Units and Common Elements. Managing Agent is an affiliate of Sponsor.

It is contemplated that the term of the Management Agreement will commence on the date of the First Closing, and will continue in force for 12 months from such date, and thereafter, if not sooner terminated, will be deemed automatically renewed for intervals of 60 days until canceled by either party on 60 days' prior notice. If either the Managing Agent or the Board shall fail to perform or abide by any of its material obligations under the Management Agreement, the other party shall have the right to terminate the Management Agreement at the end of any calendar month on not less than thirty days' prior written notice, unless such default is cured within said 30 day period. (See the Section of the Plan "Management Agreement and Contracts" for further discussion.)

28. Additional Units and Storage Bins

Sponsor reserves the right to change the number and size of the Unsold Residential Units by, among other things, subdividing and reconfiguring the Unsold Residential Units and, as the case may be, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Unit of one type (e.g., a Commercial Unit) as a Unit of another type (e.g., Residential). In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes among the Unsold Residential Units and to amend the Plan so as to reflect the same.

Notwithstanding the foregoing, where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to Purchaser, no material change will be made in a Unit's size, layout or proportionate share of aggregate common interest unless (i) the affected Purchaser consents; (ii) the Purchaser is in default or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Law, unforeseen events, etc., and in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where, in the exercise of sound construction management practices, no practicable alternative exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

Sponsor also reserves the right, but is under no obligation, to create new Storage Bins from under-utilized Common Elements (i.e., Common Elements, in whole or in part, which have not been specified for a given purpose or use in the Plan, or which are otherwise unnecessary for the use and benefit of the Common Elements to which they are adjacent) and sell licenses therefor, and to change the number and size of the Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin's space. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes and to amend the Plan so as to reflect the same.

(See the Sections entitled "Changes in Prices, Residential Units and Storage Bin Licenses" in Part I of the Plan for further discussion.)

29. Sponsor's Right to Substitute Storage Bins

At or prior to delivery of the Storage Bin License to Purchaser, Sponsor has the right, with or without prior notice to Purchaser, to substitute the Storage Bin designated in the Storage Bin License (the "Original Storage Bin") or in the Storage Bin Rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is of equal or larger size than the Original Storage Bin and provided further, any monthly license fees payable by Purchaser to the Condominium in connection with such Substituted Storage Bin

are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased Storage Deposit or purchase price and shall not afford Purchaser any abatement in purchase price or excuse Purchaser from its obligations under the Storage Bin License.

30. Interstate Land Sales Full Disclosure Act Exemption

Sponsor will not be filing a Statement of Record under the Interstate Land Sales Full Disclosure Act ("ILSA"), 15 U.S.C.A. § 1701 et seq., with the U.S. Consumer Financial Protection Bureau, and anticipates that each sale of a Residential Unit will be exempt under ILSA's "100 lot" exemption.

31. Method for Measuring Units, Terraces and Storage Bins

The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building line or Property line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Where the window wall is recessed between masonry piers, the area is measured horizontally from a Building line which is taken as a straight line from exterior face of pier to exterior face of pier, parallel to the Property line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Unit is measured vertically from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above (above any suspended ceiling).

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly lesser actual useable floor area for each Unit). The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

Terraces are measures horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

32. Availability of Mortgages

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to

experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which percentage in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

33. Sponsor's Use of the Building for Promotional Functions

Sponsor and its designee(s) shall have the right, until the 10th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units. Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

34. Child Safety Window Guards

In the event a child of 11 years of age or less resides, or visits for an extended period of time, the Unit Owner is required to have installed (at Unit Owner's expense) child safety window guards in all windows of the Unit, as per New York City Code. The Unit Owner must notify the Managing Agent in writing when a child or children under the age of 11 years lives or resides in the Unit.

35. Waiver of Collection of Common Charges by Sponsor

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

If Sponsor shall exercise its right to waive collection of Common Charges as set forth above, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that collection of Common Charges will not commence with the beginning of the First Year of Condominium Operations and further indicating the anticipated length of the Waiver Period. Sponsor shall also file an amendment to the Plan disclosing the expiration of the Waiver Period at least 30 days prior to such expiration. During any such Waiver Period, Sponsor will timely

pay all expenses of the operation of the Condominium, including but not limited to insurance premiums and reserve fund payments required by lenders, if any. Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of Common Charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same.

36. Zoning Lot Development and Easement Agreement

Pursuant to that certain Amended Declaration of Zoning Lot Restrictions, dated as of October 31, 2013 and recorded November 6, 2013 in the City Register's Office under CRFN 2013000457864, Lots 5, 6, 8 (i.e., the lots initially constituting the Property, collectively the "261-267 Lot") and 9 (the "Adjacent Lot") in Block 775 as shown on the Tax Map of the City of New York, County of New York, have been merged to form a "Combined Zoning Lot" in accordance form a "Combined Zoning Lot" in accordance with the procedure set forth in the Zoning Resolution.

Under the terms of that certain Zoning Lot Development and Easement Agreement, dated as of December 20, 2012 and recorded February 25, 2013 in the City Register's Office under CRFN 2013000078639, as amended by the First Amendment of Zoning Lot Development and Easement Agreement, dated as of October 31, 2013 and recorded in the City Register's Office under CRFN 2013000457865, (the "West 25th Street ZLDA"), certain Development Rights (as such term is defined in the Zoning Resolution) have been transferred from the Adjacent Lot to the 261-267 Lot, and the Property will also benefit from a perpetual easement for light and air, and unobstructed view, over and above a portion of the Adjacent Lot, as further described in the West 25th Street ZLDA.

A copy of the West 25th Street ZLDA is set forth in Part II of the Plan.

37. Reservation of Air and Development Rights

Sponsor has retained and expressly reserves all excess air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the 261-267 Lot and not used in connection with the original construction of the Building as described in this Plan. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible. Further, as a result of such reservation by Sponsor, Sponsor may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale. In connection with Sponsor's reservation of Air Rights hereunder and under the Declaration, the Condominium Board, the Unit Owners and their respective mortgagees expressly waive any rights they may be deemed to have as a party in interest in connection with such Air Rights. As more particularly set forth in the Declaration, (a) the Condominium Board and each Unit Owner shall be required, upon the request of Sponsor or the purchaser of Air Rights from Sponsor, to execute and deliver any documents or applications

reasonably required in connection with the use of such Air Rights; and (b) each Unit Owner shall grant to Sponsor a power of attorney to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Air Rights.

As of the filing date of the Plan, Sponsor anticipates that approximately 18,221 square feet of Air Rights will remain and be reserved to Sponsor. The Air Rights reserved by Sponsor will not be used to add additional floors to the top of the Building, and will only be used (1) for the sale or transfer for use in connection with properties other than the Building or (2) in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine floor space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In the event such excess Air Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected. (See the Section of the Plan "Reservation of Air and Development Rights" for further discussion.)

38. Alterations by an Initial Purchaser of an Unsold Residential Unit

An initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. As more particularly set forth in Special Risk 8 above, such work by an initial purchaser of an Unsold Residential Unit in or to such purchaser's Unit, may create noisy and otherwise disruptive conditions in the Building during the period such work is being performed. (See the Section of the Plan "Rights and Obligations of the Unit Owners and the Board" for further discussion.)

39. Tenant Protection Plan

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

40. Roof Rights/Easement

Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner) for the purpose of erecting, using, maintaining,

repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and Insurance Requirements. The word "equipment" as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this paragraph must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this paragraph. As used herein, "Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

41. Certification of Sponsor and Principal

Exhibit 8A in Part II of this Plan includes a certification by Sponsor and Sponsor's principal. Principal of Sponsor has executed the Certification of Sponsor and Principal for compliance with the Martin Act and governing regulations. Consistent with a recent decision by the Appellate Division of New York State Supreme Court, First Department, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual Unit Owners (or a Board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al., 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

PART I

A. INTRODUCTION

261 Owner LLC, a limited liability company organized and existing under the Law of the State of Delaware and duly authorized to do business in the State of New York ("Sponsor"), hereby presents this Offering Plan (the "Plan") for the establishment of condominium ownership of the land, Building and appurtenances thereto, situated on the north side of West 25th Street between 7th Avenue and 8th Avenue and known by the street address of The Seymour Condominium, New York, New York 10001. The condominium will be known as the "The Seymour Condominium " and is herein called the "Condominium."

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

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

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

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

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL OF THE STATE

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

1. The Property

The Land consists of approximately 9,506 square feet comprised of Lots 5, 6 and 8 of Block 775 on the Tax Map of the City of New York, known by the street address of 261 West 25th Street, New York, New York. Sponsor acquired Lot 5 by deed dated October 7, 2013 and recorded on October 23, 2013 with the City Register's Office under CRFN 2013000438021, Lot 6 by deed dated December 12, 2012 and recorded on September 26, 2013 with the City Register's Office under CRFN 2013000398341, and Lot 8 by deed dated December 12, 2012 and recorded on February 25, 2013 with the City Register's Office under CRFN 2013000078626. As more specifically described herein, upon completion of Sponsor's construction work at the Building, the following will constitute the Condominium:

(a) 49 residential apartments (the "Residential Units") located on the 1st through 12th Floors together with the residential entrance and Lobby on the 1st Floor and certain other Common Elements on the Cellar Floor;

(b) 17 Storage Bins which will be Common Elements subject to license;

(c) A Bicycle Storage room with room for approximately 24 bicycles. Storage space in the Bicycle Room will be made available in accordance with such terms and conditions as the Board shall establish form time to time, including the payment of a monthly license fee, set at $20 per storage rack per month as of the filing date of the Plan.

(d) Common facilities and amenities for the benefit of the Residential Unit Owners which are currently anticipated to include a Fitness Center, Lounge, Laundry Room and outdoor Residential Garden, all of which are located on the Cellar Floor; a Roof Residential Outdoor Space, and a Library located at the 1st Floor; and

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

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about January 1, 2016. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by

six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2016), then in either case Sponsor will offer affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

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

Sponsor further reserves the right to change the number of Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, re-designating in an amendment to the Declaration a portion of a subdivided Storage Bin space as further described in this Plan. Sponsor will maintain necessary permits and approvals required by the Department of Buildings in connection with the foregoing work. A detailed description of the Property is contained in the Section of the Plan entitled "Description of Property and Improvements" in Part II of the Plan.

2. Features of Condominium Ownership

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

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

As more particularly set forth in the By-Laws, a Residential Unit may generally be used only as a residence and, subject to compliance with the By-Laws and applicable laws, for

a lawful home occupation. Except as otherwise set forth in this Plan, Storage Bins may be used only for storage, and the licensee of any such Storage Bin must also at all times be the owner of a Residential Unit.

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit, as the case may be, on the same terms as were offered by such Residential Unit Owner to the potential purchaser or lessee thereof. This right of first refusal in favor of the Board is not applicable to a sale or lease of the Unsold Residential Units. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of the Residential Unit Owners and the Board" in Part I of the Plan.

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

Each Residential Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Residential Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the Common Elements and various service contracts), will generally be borne by the Residential Unit Owners in proportion to their respective Common Interests. The estimated Common Charges for each Residential Unit for the projected First Year of Condominium Operation are set forth in Schedule A.

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

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

As set forth in the Rules and Regulations to the By-Laws, to promote a consistent appearance of the Building from the outside, each Residential Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

Residential Unit Owners must obtain the consent of the Board before altering their Units in any way, subject to the further applicable provisions of the By-Laws.

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

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

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

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

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

Sponsor's Counsel expresses no opinion regarding any deductions with respect to Storage Bin Licenses. Prospective Purchasers should refer to the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" below, as well as to "Sponsor's Counsel's Income Tax Opinion" reproduced in the Section entitled "Opinions of Counsel" below for a more complete discussion.

The Board will be responsible for maintaining casualty insurance, with respect to the entire Building (including each Unit but excluding fixtures, furniture, furnishings, improvements, decorations, appliances within a Unit and other personal property not constituting part of the Unit), together with all service machinery contained therein, as well as liability insurance covering the Building (excluding occurrences in or about each Unit or the Limited Common Elements, if any, exclusive or appurtenant thereto) in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of the Unit Owners and the Board" in Part I for a more complete discussion. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (a) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain

property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings and other personal property located within their respective Units. Purchasers are advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost.

Residential Unit Owners are advised that the prevention of the growth of mold in a Residential Unit is the responsibility of each Residential Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Residential Unit Owner experiences mold growth depends largely on how such Residential Unit Owner manages and maintains his/her Residential Unit. Residential Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Residential Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Residential Unit Owner's Residential Unit. Sponsor will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor.

3. Offering of Units for Sale

Sponsor hereby offers the 49 Residential Units for sale under the Plan.

There are no limitations on who may purchase such offered Units. However, Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Board, any Unit Owner or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, gender, sexual orientation, disability, age, marital status or national origin, or as otherwise prohibited by applicable Legal Requirements.

The initial prices for the Units offered under the Plan are listed on Schedule A – "Purchase Prices and Related Information" for January 1, 2016 to December 31, 2016, the Projected First Year of Condominium Operation. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, to rent or lease, rather than sell, the Units offered hereunder. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of such Units (i.e., 8 Residential Units) 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 the Units, the transferee is entitled to and bound by those additional rights and obligations (including the aforementioned representation regarding good faith efforts to sell the Units) applicable to a "sponsor" as more fully described in the Plan.

The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are also set forth in said Schedule A. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit (although the By-Laws provide for a limited period of time following the recording of the Declaration when the Units may not be separately assessed), and interest and amortization payments on the mortgage, if any, which such Purchaser may obtain. (See Schedule A and the Section of the Plan entitled "Description of Property and Improvements" in Part I of this Plan).

Schedule A sets forth an estimate for the amount of real estate taxes which will be payable with respect to each Unit during the fiscal year from January 1, 2016 to December 31, 2016. (See Note 6 to Schedule A hereof with respect to the basis of such estimate.)

4. Offering of Storage Bin Licenses

Sponsor hereby offers Purchasers the opportunity to purchase the rights to one of the 17 Storage Bins pursuant to a license agreement (each such license being a "Storage Bin License," and each such license agreement being a "Storage Bin License Agreement.") The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan as Exhibit 11. The Storage Bins will range in size from approximately 14 to 59 square feet.

The price for each Storage Bin License is listed on Schedule A in Part I of the Plan. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

Sponsor reserves the right to offer as many Storage Bin Licenses as it determines in its sole discretion. Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of 15% of the purchase price of the Storage

Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan.

At or prior to delivery of the Storage Bin License to a Purchaser, Sponsor hereby reserves the right, with or without prior notice to such Purchaser, to substitute the Storage Bin designated in such Purchaser's Agreement (the "Original Storage Bin") or in the Storage Bin Rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is equally sized or larger than the Original Storage Bin and provided further that any monthly license fees payable by such Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased deposit or purchase price due for such Storage Bin License under the Agreement and shall not afford a Purchaser any abatement in purchase price or excuse a Purchaser from its obligations under its Agreement.

Storage Bin Licenses may only be purchased by Unit Owners and may only thereafter be licensed to Unit Owners, except with respect to Sponsor or any holder of Unsold Residential Units.

Upon the issuance of a Storage Bin License to a Unit Owner or the transfer of a Storage Bin License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

(See Section 16.10 of the By-Laws for further provisions with respect to Storage Bin Licenses and use of Storage Bins.)

5. Certain Definitions

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

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

Bicycle Room: That certain space located on the Cellar Floor which contains racks and mounted wall hooks sufficient to store approximately 24 bicycles. Storage slots in the Bicycle Room will be made available in accordance with such terms and conditions as the Board shall establish form time to time, including the payment of a monthly license fee, set at $20 per storage rack per month as of the filing date of the Plan.

Board: The board of managers of the Condominium, also sometimes referred to as the "Condominium Board" and/or the "Board of Managers."

Building: The improvements located on the Land and commonly known as The Seymour Condominium, New York, New York.

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

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

Common Charges: Assessments payable to the Board by Unit Owners for the purpose of meeting Common Expenses. Generally, Unit Owners will pay Common Charges based on their proportionate share (among all Unit Owners) of Common Expenses. Common Charges also includes specific amounts assessed against individual Unit Owners in connection with maintenance expense of terrace areas appurtenant to Units owned by such Unit Owners.

Common Elements: The entire property, including the Land and all parts of the Building and other improvements thereon, other than the Units. The Common Elements include, among other things, the foundations, roofs and supports of the Building and all areas, equipment or facilities for the common use of all or some of the Units or all or some of the Unit Owners. The Common Elements include the General Common Elements and the Residential Limited Common Elements.

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

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

Condominium: The Seymour Condominium.

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

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

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

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

First Year of Condominium Operation. The 12 month period commencing on the date of the First Closing, currently anticipated to be the period from January 1, 2016 through December 31, 2016.

Fitness Center**:** That certain fitness center located on the Cellar Floor of the Building as shown on the Floor Plans.

Floor Plans: The floor plans of the Building which will be filed with, and approved by, the Tax Map Unit, Land Records Division of The City of New York and the City Register's Office at the time the Declaration is recorded. The Floor Plans will show the locations of the Units and the Common Elements in the Building.

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

Land: The land situated on the north side of West 25th Street between 7th Avenue and 8th Avenue and known by the street address of The Seymour Condominium, New York, New York 10001, as further and more particularly described in the Declaration.

Laundry Room: That certain laundry room located on the Cellar Floor of the Building as shown on the Floor Plans.

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

Library: That certain common space located on the 1st Floor of the Building as shown on the Floor Plans.

Lounge: That certain lounge located on the Cellar Floor of the Building as shown on the Floor Plans.

Managing Agent: It is anticipated that the managing agent of the Condominium will initially be TNG Management, LLC, having its principal office at 65 Maspeth Avenue, Suite 1A, Brooklyn, New York, 11211, a management firm engaged in the management of luxury residential buildings in New York City, pursuant to a management agreement, as more fully discussed in "Management Agreement" in Part I of this Plan. Managing Agent is an affiliate of Sponsor.

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

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

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

Permitted Mortgagee. The holder of a Permitted Mortgage as more fully described in the By-Laws.

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

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

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

Residents' Garden: That certain outdoor garden located on the Cellar Floor of the Building as shown on the Floor Plans.

Residential Limited Common Elements: Those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner as more particularly described in the Declaration. The Residential Limited Common Elements include, without limitation, any Terrace either appurtenant or designated to any Residential Unit (although the benefitted Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

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

Roof Residential Outdoor Space: That certain terrace space located on the Roof Floor for the shared use of the Residential Unit Owners', as shown on the Floor Plans.

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws and attached thereto as Exhibit A, as the same may be amended from time to time in accordance with the applicable provisions of the By-Laws.

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

Selling Agent: It is anticipated that the selling agent for the Plan will initially be Stribling Marketing Associates LLC, 924 Madison Avenue, New York, New York 10021.

Sponsor; Sponsor or its designee; or similar phrases: Sponsor, any affiliate of Sponsor or a designee of Sponsor. An affiliate of Sponsor shall be deemed to be (i) a person or entity who or which owns 25% or more of the legal or beneficial interest of Sponsor or (ii) an entity with respect to which Sponsor owns 25% or more of the legal or beneficial interest.

Sponsor Control Period: The period ending upon the later to occur of: (a) the fifth anniversary of the First Closing; or (ii) the closing of title to Residential Units representing more than 90%, both in number and in aggregate Common Interests, of all Residential Units.

Sponsor's Office: The office of Sponsor located at c/o The Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10019, or any other office regularly maintained by Sponsor in the City of New York.

Storage Bins: One of 17 Storage Bins located on the Cellar Floor, which will be made available for the exclusive use certain of the Unit Owners pursuant to Storage Bin License Agreements and which constitute Common Elements.

Terrace: Any of the terraces or balconies appurtenant to a Unit as shown on Floor Plans, which Terraces are Residential Limited Common Elements.

Title Company: Royal Abstract, with an address at 500 5th Avenue, Suite 1540, New York, New York 10110, (212) 376-0900, or such other title insurance company licensed to do business in New York and designated by Sponsor in an amendment to this Plan.

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

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

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

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

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B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

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

1. The Building

The Building is located on the Land, situated on the north side of West 25th Street in New York, New York between 7th Avenue and 8th Avenue, comprising Lots 5, 6 and 8 of Block 775 on the Tax Map of the Borough of Manhattan.

The Building will be comprised of a 12 story structure with Roof above grade and one cellar level below grade. The Condominium will be new construction.

The Building will contain 49 Residential Units and 17 Storage Bins.

Goldstein, Hill & West Architects, LLP, 11 Broadway, Suite 1700, New York, NY 10004, is the architect engaged by Sponsor to construct the Project. Buro Happold Consulting Engineers P.C., 100 Broadway, 23rd Floor, New York, New York, 10005 is the mechanical and electrical engineer for the Project. (See the Section entitled "Identity of Parties" in Part I of the Plan) The Plans and Specifications for the Building have been prepared by Goldstein, Hill & West Architects, LLP, in consultation with such other professionals.

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

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

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the floor plans.

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

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about January 1, 2016. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or

postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2016), then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

2. Residential Units

There will initially be a total of 49 Residential Units. The Residential Units vary in size, including studio apartments with approximately 457 square feet to three-bedroom apartments with approximately 2,029 square feet. Detailed descriptions of the Units are set forth in the Declaration and in Exhibit 6 in Part II of the Plan. Exhibit 4 also includes a detailed description of the fixtures, finishes, appliances and equipment included in each Unit.

The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building line or Property line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Where the window wall is recessed between masonry piers, the area is measured horizontally from a Building line which is taken as a straight line from exterior face of pier to exterior face of pier, parallel to the Property line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Unit is measured vertically from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above (above any suspended ceiling.

There will be no modifications or extras for any Residential Unit unless set forth in the Agreement for such Unit. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any reduction in or credit against the Purchase Price of his or her Unit or be otherwise relieved from

performing his or her obligations under the Agreement as a result of minor or insubstantial inaccuracy or error in the floor plans for such Unit as set forth in Part II of the Plan.

3. Storage Bins

As indicated on the Floor Plans, there will be a total of 17 Storage Bins in the Condominium, located on the Cellar Floor of the Building, ranging in size from approximately 13 to 60 square feet. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall. The Storage Bins are Common Elements and will be licensed to individual Residential Unit Owners by Sponsor in its sole discretion. Sponsor (or its designee), in its own name or in the name of the Condominium Board, shall have the exclusive right to initially issue Residential Storage Bin licenses for Residential Storage Bins and to retain the proceeds thereof. Storage Bins may not be licensed to any person, party or entity which is not a Residential Unit Owner (provided that such restriction shall not apply to Sponsor or its designees, or to the Board or its designees) and may only be used for storage purposes, provided that no materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any lawful purpose or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells or leases its Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. The form of the Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan as Exhibit 10.

To help protect the security of the Building, the holder of a Storage Bin License (other than Sponsor) must at all times be a Residential Unit Owner; provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. If the Board terminates a Storage Bin License (pursuant to the above) or a Residential Unit Owner surrenders a Storage Bin License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage Bin License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion.

4. Fitness Center

As indicated on the Floor Plans, a fitness center will be located on the Cellar Floor of the Building, and will be a General Common Element. All Residential Unit Owners shall have the right to access and use the Fitness Center, subject to the right of the Board to regulate its use in accordance with the By-Laws and the Rules and Regulations. The Board shall be responsible for the maintenance and repairs (whether structural or otherwise) of the Fitness Center and all the equipment and machinery therein, and the costs and expenses associated

therewith shall be allocated to Unit Owners as set forth in the Notes to Schedule B or as otherwise provided in the By-Laws

5. Laundry Room

As indicated on the Floor Plans, a Laundry Room will be located on the Cellar Floor of the Building, which will be a General Common Element. Residential Unit Owners shall have the right to access and use the Laundry Room, subject to the right of the Board to regulate its use in accordance with the By-Laws and the Rules and Regulations. The Board shall be responsible for the maintenance and repairs (whether structural or otherwise) of the Laundry Room, and the costs and expenses associated therewith shall be allocated to Unit Owners as set forth in the Notes to Schedule B or as otherwise provided in the By-Laws. It is anticipated that the Laundry Room will contain a sink, two electric washing machines and four gas operated dryers. The washing machines and dryers will be pay-per-use. In addition, each Residential Unit will be provided with a washer and dryer.

6. Terraces

As indicated on the Floor Plans set forth in Part II of the Plan, Terraces are appurtenant to certain Residential Units in the Building, and are Residential Limited Common Elements available to the exclusive use of the Unit Owner of the Unit to which such Terraces are appurtenant, subject to and in accordance with the Declaration, By-Laws and the Rules and Regulations.

In addition to Terraces immediately adjacent to the appurtenant Units, three Terraces are located on the roof of the Building, each for the exclusive use of a Unit Owner as follows: one Terrace is for the exclusive use of the Unit Owner of PH A, designated as "PH A Private Terrace" on the Floor Plans; one Terrace is for the exclusive use of the Unit Owner of PH B, designated as "PH B Private Terrace" on the Floor Plans; and one Terrace is for the exclusive use of an owner of a Unit to be identified subsequent to the filing date of the Plan, identified as "Private Terrace" on the Floor Plans (the "3rd Private Terrace"). Sponsor, in connection with the sale of an Unsold Residential Unit, will designate the Unsold Residential Unit to which the 3rd Private Terrace is appurtenant in its complete discretion, and shall amend the Plan to reflect such designation. Sponsor reserves the right from time to time to redesignate the Unsold Residential Unit to which the 3rd Private Terrace is appurtenant, which redesignation will be reflected in an amendment to the Plan, except that Sponsor may not change the identity of the Unit to which the 3rd Private Terrace is appurtenant where there then exists an executed Agreement for such Unit and Purchaser is not then in default. The designation or redesignation of the Unit to which the 3rd Private Terrace is appurtenant will not require or result in a recalculation of Common Interest among the Units.

The Unit Owner of a Unit having an appurtenant Terrace shall be responsible for all normal maintenance and cleaning of such Terrace however, the costs and expenses of any repairs or replacements, structural or otherwise, (unless caused by or attributable to the Unit Owner) shall be charged to all Residential Unit Owners as a Common Expense.

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

7. Residents' Garden

The Residents' Garden will be located in the Building on the Cellar Floor, furnished with outdoor tables and chairs, and will be landscaped. The Residents' Garden will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

8. Library

The Library will be located in the Building at the 1st Floor, accessible from the residential lobby, will be furnished with tables and chairs. The Library will be for occupants only, will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

9. Bicycle Room

The Bicycle Room will be located on the Cellar Floor, accessible from the service corridor and will have racks and wall mounted hooks to store 24 bicycles. This facility will be for residential occupants only. Storage slots in the Bicycle Room will be made available in accordance with such terms and conditions as the Board shall establish form time to time, including the payment of a monthly license fee, set at $20 per storage rack per month as of the filing date of the Plan..

10. Common Elements

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

divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains.

For a detailed description of the Common Elements, see Article 7 of the Declaration (Exhibit 6 in Part II of the Plan) and the Description of Property and Specifications (Exhibit 4 in Part II of the Plan).

11. Available Services and Facilities

The available services and facilities are described below in the Section entitled "Building Standard Services and Facilities". The level of service will be consistent with that disclosed in Schedule B herein. The Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

a. Building Standard Services and Facilities:

(i) Lobby Attendant. The residential lobby area will be staffed 24 hours per day, seven days per week.

(ii) Elevator Service. The two passenger elevators will be automatically operated and therefore will be in service as necessary, 24 hours per day, seven days per week. Use of the passenger elevators for residential move-in, move-outs and deliveries will be scheduled by prior arrangement with the Managing Agent, subject to such policies established by the Board governing such use.

(iii) Communications Facilities. Each Unit will be equipped with an intercom system that utilizes a Residential Unit's telephone.

(iv) Mail. All incoming mail will be delivered by the United States Postal Service to locked mail boxes located in the 1st Floor residential lobby.

(v) Maintenance Personnel. Building maintenance personnel will include a Visiting Manager/Super and porter as may be necessary for the proper maintenance and cleaning of the common areas.

(vi) Refuse Disposal. There will be recycling bins and a refuse chute located on each residential floor. Each chute will lead directly to a compactor at the Cellar Floor. Building staff will transfer compressed refuse to the sidewalk as needed pending collection by the City of New York Department of Sanitation. Recycling bins on each residential floor will be emptied as necessary by Building staff.

(vii) Other Service Contracts. Certain additional services covered by third-party contracts, such as elevator maintenance are included in Building standard services.

(viii) Carbon Monoxide Detectors. Each Unit will contain a combination smoke/carbon monoxide detector.

(ix) Laundry. Each Residential Unit will contain a washing machine and dryer. (See Exhibit 4 in Part II of the Plan for further details.)

(x) Fitness Center. The Fitness Center will be a General Common Element. As of the filing of the Plan, it is anticipated that the Fitness Center will include various exercise equipment, such as bikes, treadmills, free weights and benches. A restroom will be located on the Cellar Floor in the vicinity of the Fitness Center.

(xi) Lounge. The Lounge will be a General Common Element for the use and enjoyment of the Residential Unit Owners and occupants, located on the Cellar Floor and furnished with tables and chairs.

(xii) Laundry Room. The Laundry Room will be a General Common Element which is accessible to all Residential Unit Owners. Sponsor anticipates that the Laundry Room will contain two electric washers and four gas-operated dryers.

(xiii) Cable Television. Cable television service will be available for all Residential Units. All charges for cable television service (including installation and subscription charges for individual Residential Units) will be paid by each Residential Unit Owner who subscribes directly with the cable television service provider.

(xiv) Bicycle Storage. A resident bicycle storage space will be available on the Cellar Floor of the Building. Such storage space will include racks and wall mounted hooks to store approximately 24 bicycles. Storage slots in the Bicycle Room will be made available in accordance with such terms and conditions as the Board shall establish form time to time, including the payment of a monthly license fee, set at $20 per storage rack per month as of the filing date of the Plan.

(xv) Resident's Garden. The Resident's Garden will be a General Common Element located on the Cellar Floor of the Building, which will be a furnished with outdoor tables and chairs and will be landscaped. The Resident's Garden will be accessible to all Residential Unit Owners and occupants subject to reasonable rules and regulations of the Board.

(xvi) Library. The Library will be a General Common Element located in the Building at the 1st Floor, accessible from the residential lobby and will be furnished with tables and chairs.

(xvii) Roof Residential Outdoor Space. The Roof Residential Outdoor Space will be a General Common Element accessible to all Residential Unit Owners and occupants. Conditions of use, such as hours of operation, will be determined by the Board and set forth in the Rules and Regulations.

b. General Provisions Concerning Services and Facilities

No representation or warranty is made as to the continued operation or existence of any of the foregoing services or facilities after the Sponsor Control Period and neither Sponsor

nor the Board shall have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees, if any, charged therefor.

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

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

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services may not be available until 12 months after the First Closing (specifically, full staff of building personnel, the Fitness Center, Roof Residential Outdoor Space, Residents' Garden, Lounge, Library, Laundry Room, Storage Bins, Bicycle Storage). In addition, certain of the amenities described in the Plan may not be arranged or available until after such interim period. However, it is anticipated that at all times after the First Closing, the lobby will be attended twenty-four hours per day, seven-days per week, and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level of staffing will at all times during this period will be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems (specifically, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators) may be disrupted temporarily and from time to time. See the Special Risks entitled "Interim Service Period" and "Additional Building Work" above.

Purchasers are further advised to note that construction in general is a complicated process which require the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical, electrical, plumbing and other systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Unit Owners within their Units (to perform custom constructions, etc.). During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work,

making adjustments and performing various other tasks related to the completion of Sponsor's construction work, fitting out of, and moving into, the Units and other portions of the Building. Residential elevators and personnel may be taken out of service and diverted to facilitate Sponsor's construction work, and exterior hoists may be in place, during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners (specifically, full staff of building personnel, the Fitness Center, Roof Residential Outdoor Space, Residents' Garden, Lounge, Library, Laundry Room, Storage Bins, Bicycle Storage) may not be available until such other portions of the Building are completed and fully operational. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued by the Board (after Sponsor control or if not determined by Sponsor) or Unit Owners in the future (after having been instituted) or disrupted. Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Sponsor and its designee(s) shall have the right, until the 10th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units. Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

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C. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is situated at 261 West 25th Street, in the Borough of Manhattan, City and State of New York, located on the north side of West 25th Street, between 7th and 8th Avenues. The Condominium is located in the Chelsea neighborhood, which features a diverse mix of renovated and new buildings. In the immediate vicinity of the Building exists an array of prestigious cooperative buildings, luxury condominiums, and numerous brownstones, as well as many excellent dining options.

New York City is one of the leading cultural centers of the world, with many of the finest universities, museums, libraries, theaters and cultural institutions, attracting millions of national and international tourists. New York City is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry.

New York City is served by three major airports -- LaGuardia Airport, John F. Kennedy International Airport and Newark International Airport, located approximately 7, 14 and 14 miles from the Condominium, respectively. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and 33rd Street, and from Grand Central Terminal, located at Lexington Avenue and 42nd Street.

Transportation to and from the Building, and throughout New York City, is readily available by taxi, limousine, private automobile, subway or bus. A number of commercial parking garages are located nearby. Public transportation via subways and buses is also readily available. The Eighth Avenue line C and E trains are accessible at 24th Street and 8th Avenue, and the 1 train is accessible at a subway stop located at 23rd Street and 7th Avenue. In addition, the area is serviced by the following bus lines, which all stop nearby the Building: M20, M7, and M23.

There are a wide variety of parks in the vicinity. Chelsea Park is located a few blocks from the Building between 9tn Avenue and 10th Avenue, and between West 27th Street and West 28th Street. Madison Square Park and Union Square Park are located a few block east of the Building.

Numerous private schools, public schools and parochial schools are easily accessible from the Building. The public schools in the area include P.S. 033 Chelsea Prep at 281 9th Avenue; PS 011 William T. Harris t 320 West 21st Street; MS 260 Clinton School Writers and Artists t 425 West 33rd Street; Humanities Preparatory Academy and Bayard Rustin High School for the Humanities at 351 West 18th Street; the High School of the Fashion Industry at 225 West 24th Street; and Manhattan Village Academy at 43 West 22nd Street. Certain public school programs require that parents apply for admission for their children.

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

The Property is located in the 10th Police Precinct with the station located at 230 West 20th Street. Fire protection is provided from the Engine Co. 1, Ladder 24 fire station located at 142 West 31st Street. The zip code for the Building is 10001, which as of the date hereof, is serviced by the post office station located at 261 West 25th Street.

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Premises, including Beth Israel Medical Center at 281 First Avenue; NYU Hospital Center at 560 First Avenue; Bellevue Hospital at 462 First Avenue; and St. Luke's Roosevelt Hospital at 1000 10th Avenue.

Many religious faiths have congregations within walking distance of the Property. Local houses of worship.

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

2. Zoning

The Building is located in an area zoned R8A under the New York City Zoning Resolution. This zoning designation permits, among other things, community facility and residential use. The intended use of the Building as described in this Plan will be in compliance with the current requirements of the Zoning Resolution.

D. SCHEDULE A – "PURCHASE PRICES AND RELATED INFORMATION"

SCHEDULE OF PURCHASE PRICES AND OTHER FINANCIAL DETAILS
FOR EACH UNIT FOR JANUARY 1, 2016 – DECEMBER 31, 2016
THE PROJECTED FIRST YEAR OF CONDOMINIUM OPERATION (1)
(The notes to Schedule A are an integral part of Schedule A and should be read in connection herewith.)

The Seymour Condominium

SCHEDULE A

Offering Prices and Related Information
All Projected Charges are for the Twelve Month Period
Commencing January 1, 2016 and Ending December 31, 2016 ("First Year")

Unit	Unit Description Number of Bedrooms & Baths, Etc.	Approximate Square Footage of Unit	Approximate Square Footage of Balcony or Terrace(s)	Offering Price	Proportionate Share of Aggregated Common Interest	Estimated Annual/Monthly Common Charges (First Year)		Estimated Annual/Monthly Real Estate Taxes (First Year)		Total Estimated Annual/Monthly Carrying Charges (First Year)	
(1)	(1)	(2)	(2)	(3)	(4)	(5)	(5)	(6)	(6)	(7)	(7)
Garden A	2 BD / 2.5 BA	1,348	858	$2,525,000	2.36%	$20,196	$1,683	$22,121	$1,843	$42,317	$3,526
Garden B	0 BD / 1 BA	457	n/a	$675,000	0.74%	$6,361	$530	$6,967	$581	$13,328	$1,111
Garden C	2 BD / 1 BA	783	n/a	$1,145,000	1.27%	$10,899	$908	$11,938	$995	$22,836	$1,903
Garden D	2 BD / 2.5 BA	1,329	884	$2,495,000	2.34%	$19,975	$1,665	$21,879	$1,823	$41,854	$3,488
2A	1 BD / 1 BA	718	n/a	$1,125,000	1.17%	$9,994	$833	$10,947	$912	$20,941	$1,745
2B	2 BD / 2.5 BA	1,580	n/a	$2,625,000	2.57%	$21,992	$1,833	$24,089	$2,007	$46,081	$3,840
2C	1 BD / 1 BA	652	n/a	$1,050,000	1.06%	$9,075	$756	$9,940	$828	$19,016	$1,585
2D	3 BD / 2.5 BA	1,701	n/a	$2,975,000	2.77%	$23,676	$1,973	$25,933	$2,161	$49,610	$4,134
2E	1 BD / 1 BA	783	n/a	$1,195,000	1.27%	$10,899	$908	$11,938	$995	$22,836	$1,903
3A	1 BD / 1 BA	720	n/a	$1,140,000	1.17%	$10,022	$835	$10,977	$915	$20,999	$1,750
3B	2 BD / 2.5 BA	1,459	n/a	$2,395,000	2.38%	$20,308	$1,692	$22,244	$1,854	$42,552	$3,546
3C	2 BD / 2BA	1,122	n/a	$1,965,000	1.83%	$15,617	$1,301	$17,106	$1,425	$32,723	$2,727
3D	3 BD / 2.5 BA	1,849	n/a	$3,195,000	3.01%	$25,737	$2,145	$28,190	$2,349	$53,926	$4,494
3E	1 BD / 1 BA	783	n/a	$1,210,000	1.27%	$10,899	$908	$11,938	$995	$22,836	$1,903
4A	1 BD / 1 BA	720	n/a	$1,155,000	1.17%	$10,022	$835	$10,977	$915	$20,999	$1,750
4B	2 BD / 2.5 BA	1,459	n/a	$2,425,000	2.38%	$20,308	$1,692	$22,244	$1,854	$42,552	$3,546
4C	2 BD / 2BA	1,122	n/a	$1,990,000	1.83%	$15,617	$1,301	$17,106	$1,425	$32,723	$2,727
4D	3 BD / 2.5 BA	1,849	n/a	$3,235,000	3.01%	$25,737	$2,145	$28,190	$2,349	$53,926	$4,494
4E	1 BD / 1 BA	783	70	$1,260,000	1.29%	$11,045	$920	$12,098	$1,008	$23,143	$1,929
5A	1 BD / 1 BA	720	n/a	$1,170,000	1.17%	$10,022	$835	$10,977	$915	$20,999	$1,750
5B	2 BD / 2.5 BA	1,459	n/a	$2,455,000	2.38%	$20,308	$1,692	$22,244	$1,854	$42,552	$3,546
5C	2 BD / 2BA	1,122	n/a	$2,015,000	1.83%	$15,617	$1,301	$17,106	$1,425	$32,723	$2,727
5D	3 BD / 2.5 BA	1,849	n/a	$3,275,000	3.01%	$25,737	$2,145	$28,190	$2,349	$53,926	$4,494
5E	1 BD / 1 BA	783	70	$1,275,000	1.29%	$11,045	$920	$12,098	$1,008	$23,143	$1,929
6A	1 BD / 1 BA	720	n/a	$1,185,000	1.17%	$10,022	$835	$10,977	$915	$20,999	$1,750
6B	2 BD / 2.5 BA	1,459	n/a	$2,685,000	2.38%	$20,308	$1,692	$22,244	$1,854	$42,552	$3,546
6C	2 BD / 2BA	1,122	n/a	$2,215,000	1.83%	$15,617	$1,301	$17,106	$1,425	$32,723	$2,727
6D	3 BD / 2.5 BA	1,849	n/a	$3,590,000	3.01%	$25,737	$2,145	$28,190	$2,349	$53,926	$4,494
6E	1 BD / 1 BA	783	70	$1,290,000	1.29%	$11,045	$920	$12,098	$1,008	$23,143	$1,929
7A	1 BD / 1 BA	720	n/a	$1,200,000	1.17%	$10,022	$835	$10,977	$915	$20,999	$1,750
7B	2 BD / 2.5 BA	1,459	n/a	$2,715,000	2.38%	$20,308	$1,692	$22,244	$1,854	$42,552	$3,546
7C	2 BD / 2BA	1,122	n/a	$2,240,000	1.83%	$15,617	$1,301	$17,106	$1,425	$32,723	$2,727
7D	3 BD / 2.5 BA	1,849	n/a	$3,630,000	3.01%	$25,737	$2,145	$28,190	$2,349	$53,926	$4,494
7E	1 BD / 1 BA	783	70	$1,305,000	1.29%	$11,045	$920	$12,098	$1,008	$23,143	$1,929
8A	1 BD / 1 BA	720	n/a	$1,265,000	1.17%	$10,022	$835	$10,977	$915	$20,999	$1,750

8B	2 BD / 2.5 BA	1,459	n/a	$2,845,000	2.38%	$20,308	$1,692	$22,244	$1,854	$42,552	$3,546
8C	2 BD / 2BA	1,122	n/a	$2,345,000	1.83%	$15,617	$1,301	$17,106	$1,425	$32,723	$2,727
8D	3 BD / 2.5 BA	1,849	n/a	$3,795,000	3.01%	$25,737	$2,145	$28,190	$2,349	$53,926	$4,494
8E	1 BD / 1 BA	783	70	$1,370,000	1.29%	$11,045	$920	$12,098	$1,008	$23,143	$1,929
9A	1 BD / 1 BA	810	434	$1,585,000	1.39%	$11,879	$990	$13,011	$1,084	$24,890	$2,074
9B	3 BD / 2.5 BA	1,751	352	$4,495,000	3.02%	$25,842	$2,154	$28,306	$2,359	$54,148	$4,512
9C	2 BD / 2.5 BA	1,513	901	$3,845,000	2.64%	$22,565	$1,880	$24,716	$2,060	$47,280	$3,940
10A	1 BD / 1 BA	810	n/a	$1,395,000	1.32%	$11,275	$940	$12,349	$1,029	$23,624	$1,969
10B	3 BD / 2.5 BA	1,751	n/a	$3,795,000	2.85%	$24,372	$2,031	$26,696	$2,225	$51,068	$4,256
10C	2 BD / 2.5 BA	1,513	n/a	$2,995,000	2.46%	$21,060	$1,755	$23,067	$1,922	$44,127	$3,677
11A	3 BD / 3.5 BA	2,029	261	$5,195,000	3.35%	$28,678	$2,390	$31,412	$2,618	$60,089	$5,007
11B	3 BD / 3 BA	1,773	n/a	$3,895,000	2.89%	$24,679	$2,057	$27,031	$2,253	$51,710	$4,309
PHA	3 BD / 3.5 BA	2,029	367	$4,795,000	3.45%	$29,519	$2,460	$32,333	$2,694	$61,852	$5,154
PHB	3 BD / 3 BA	1,773	352	$4,195,000	3.03%	$25,904	$2,159	$28,373	$2,364	$54,276	$4,523
Totals Residential		**60,701**	**4,759**	**$115,835,000**	**100.00%**	**$855,064**	**$71,255**	**$936,570**	**$78,048**	**$1,791,634**	**$149,303**

BD - denotes Bedrooms
BA - denotes Bathrooms

The Seymour Condominium

SCHEDULE A -1
(8)
OFFERING PRICES OF STORAGE BIN LICENSES AND
LICENCE FEE DURING THE FIRST YEAR OF CONDOMINIUM OPERATION
Commencing January 1, 2016 and Ending December 31, 2016 ("First Year")

	Storage Bin #	Floor	Approximate Gross Square Feet	Offering Price	Monthly License Fee
	S1	Cellar	17	$20,000	$17
	S2	Cellar	17	$20,000	$17
	S3	Cellar	17	$20,000	$17
	S4	Cellar	17	$20,000	$17
	S5	Cellar	17	$20,000	$17
	S6	Cellar	60	$49,500	$60
	S7	Cellar	42	$35,000	$42
	S8	Cellar	15	$16,500	$15
	S9	Cellar	14	$10,000	$14
	S10	Cellar	13	$16,500	$13
	S11	Cellar	15	$16,500	$15
	S12	Cellar	15	$16,500	$15
	S13	Cellar	15	$16,500	$15
	S14	Cellar	15	$16,500	$15
	S15	Cellar	15	$16,500	$15
	S16	Cellar	36	$31,500	$36
	S17	Cellar	27	$28,500	$27
Totals	**17**		**367**	**$370,000**	**$367**

NOTES TO SCHEDULE A

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from January 1, 2016 through December 31, 2016. The actual First Year of Condominium Operation may begin earlier or later than that year.

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

(2) The approximate square foot area of each Unit[*], within reasonable tolerances, has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building line or Property line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Where the window wall is recessed between masonry piers, the area is measured horizontally from a Building line which is taken as a straight line from exterior face of pier to exterior face of pier, parallel to the Property line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the

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

square foot area of the Unit. Outdoor floor areas of Terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Unit is measured vertically from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above (above any suspended ceiling). Terraces are measured horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield significantly lesser actual useable floor area for each Unit). The stated method of measurement used is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

In addition to Terraces immediately adjacent to the appurtenant Units, three Terraces are located on the roof of the Building, each for the exclusive use of a Unit Owner as follows: one Terrace is for the exclusive use of the Unit Owner of PH A, designated as "PH A Private Terrace" on the Floor Plans; one Terrace is for the exclusive use of the Unit Owner of PH B, designated as "PH B Private Terrace" on the Floor Plans; and one Terrace is for the exclusive use of an owner of a Unit to be identified subsequent to the filing date of the Plan, identified as "Private Terrace" on the Floor Plans (the "3rd Private Terrace"). Sponsor, in connection with the sale of an Unsold Residential Unit, will designate the Unsold Residential Unit to which the 3rd Private Terrace is appurtenant in its complete discretion, and shall amend the Plan to reflect such designation. Sponsor reserves the right from time to time to redesignate the Unsold Residential Unit to which the 3rd Private Terrace is appurtenant, which redesignation will be reflected in an amendment to the Plan, except that Sponsor may not change the identity of the Unit to which the 3rd Private Terrace is appurtenant where there then exists an executed Agreement for such Unit and Purchaser is not then in default. The designation or redesignation of the Unit to which the 3rd Private Terrace is appurtenant will not require or result in a recalculation of Common Interest among the Units.

(3) Sponsor has reserved the right to change the Purchase Prices (as well as other terms of sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. (See the Section entitled "Changes in Prices, Residential Units and Storage Bin Licenses" below for further discussion.) In addition to paying the Purchase Prices of their Units, purchasers will be responsible for paying certain closing adjustments and closing costs, including, without limitation, the obligation to contribute to the Working Capital Fund. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units. (See the Section entitled "Unit Closing Costs and Adjustments" below for further discussion.)

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

(5) These projections have been based upon the projections contained in Schedule B — "Projected Budget for First Year of Condominium Operation" (set forth in Part I of the Plan), which were made based on the assumption that the First Year of Condominium Operation will be January 1, 2016 through December 31, 2016. The actual first year of operation may be earlier or later. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned.

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

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

As discussed below in the Section entitled "Control by Sponsor" and in the Special Risk entitled "Control by Sponsor; First Residential Meeting", Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Common Charges from Unit Owners for a period of time prior to full occupancy of the Condominium (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period (the "Operating Expenses"). In connection with the Waiver

Period, (i) if the collection of Common Charges will be delayed, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that the collection of Common Charges will not commence with the beginning of Condominium operations and the anticipated length of such Waiver Period; (ii) Sponsor shall file an amendment to the Plan disclosing the expiration of the Waiver Period at least 30 days prior to such expiration; (iii) that during any such Waiver Period, Sponsor will timely pay all expenses of the Condominium (which shall not include real estate taxes, whether the Units have been separately assessed or not), including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. Sponsor, in its sole and absolute discretion, may upon 30 days prior written notice to Unit Owners terminate the Waiver Period.

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

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

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

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

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

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

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

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bins, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

(6) The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation is based upon a letter dated January 21, 2014 prepared by Aaron Valuation Inc., Sponsor's real estate tax expert and takes into account the following assumptions and projections:

(a) that the property will be reassessed as a fully completed structure for the 2015/2016 tax year;

(b) the First Year of Condominium Operation will be comprised of six months of tax year 2015/2016 and six months of tax year 2016/2017;

(c) for tax year 2015/2016, a taxable assessment for the Residential Units of $6,949,910;

(d) for tax year 2016/2017, a taxable assessment for the Residential Units of $6,949,910 (which estimate assumes that the taxing authority is assessing a fully constructed, occupied building and is not intended to reflect any interim or partial completion assessment. Because the Property may be only partially completed as of the taxable status date, January 5, 2015, the 2015/2016 assessed valuation may be lower than estimated here); and

(e) an assumed tax rate in effect for 2015/2016 of 13.409% and 2016/2017 of 13.543%, which results in estimated aggregate real estate taxes for the Residential Units for the First Year of Condominium Operation, including six months of tax year 2015/2016 and six months of tax year 2016/2017, totaling $936,570.

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

No warranty, guarantee or assurance is given that:

(i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such First Year of Condominium Operation and the date of completion of construction of the Building) will approximate the actual amount;

(ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the proportionate Common Interests of the Units, or that such

bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or

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

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

Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units on some other basis rather than its relative Common Interest, and, if so, Units having the same or similar Common Interest may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax expert and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A.

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

In the opinion of Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income, the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Residential Unit Owner (which might result from changes in the assessed valuation of the Residential Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" below for further discussion.

(7) This column represents the annual amount of projected real estate taxes for the First Year of Condominium Operation, as determined by multiplying by 12 those amounts listed in the column titled "Projected Monthly Real Estate Taxes."

(8) THE PRICES FOR THE STORAGE BIN LICENSES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

The Storage Bins may only be used for storage purposes, and in no event may the Storage Bins be used as dwelling spaces. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein, and Storage Bins may not be used to store toxic, inflammable or combustible items as defined in the Building Code of the City of New York. Failure of a Unit Owner to comply with the use limitations set forth in the immediately preceding sentence may result in issuance by the Department of Buildings of a violation against the Building along with imposition of an associated fine. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any purpose permitted by Legal Requirements (as hereinafter defined) or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration.

Upon the issuance of a Storage Bin License to a Unit Owner, such Unit Owner may freely assign such License without the consent of the Board; provided such assignee is also a Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. Upon the issuance of a Storage Bin License to a Unit Owner or the transfer of a Storage Bin License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

If a Unit Owner holding a Storage Bin License defaults in its obligations under the Storage Bin License Agreement or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin until such Unit Owner cures such default, or (ii) terminate the Storage Bin License Agreement upon written notice to the Unit Owner.

The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan.

Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Units on a first-come, first-served basis until such time as all of the Storage Bin Licenses have been purchased. Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion. Storage Bin Licenses will only be sold by Sponsor to Purchasers of Residential Units. Prospective Purchasers will be required to deliver a deposit in the amount of 15% of the purchase price of the Storage Bin License upon execution of an Agreement as set forth in the Storage Bin License rider to the form of Agreement included in Part II of this Plan. In the event the Storage Bin is not available for conveyance to a Purchaser at the closing of such Purchaser's Unit, all monies paid for the Storage Bin License must be held in escrow by Escrow Agent and may only be released to Sponsor in connection with the conveyance of the Storage Bin to Purchaser. (See the Sections entitled "Storage Bins" under "Description of Property and Improvements", "Changes in Prices, Residential Units and Storage Bin Licenses," and "Procedure to Purchase" in Part I of the Plan for further information).

E. SCHEDULE B – "PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION"

The Seymour Condominium

Projected Budget for First Year of Condominium Operation

January1, 2016 to December 31, 2016 (Note 1)

Estimated Income	**Total**
Common Charges (Note 2)	$ 855,064
Storage Area Income (Note 3a)	$ 4,404
Bicycle Room Income (Note 3b)	$ 5,760
Total income	$ 865,228
Expenses	
Payroll And Related Expenses (Note 4)	$ 297,365
Gas Heat, Cooking & Hot Water (Note 5)	$ 21,960
Electricity for Common Elements (Note 6)	$ 196,050
Water Charges and Sewer Rent (Note 7)	$ 69,900
Repairs, Maintenance & Supplies for Common Elements (Note 8)	$ 11,500
Service Proposals & Contracts (other than Elevator Maintenance) (Note 9)	$ 67,600
Elevator Maintenance (Note 10)	$ 16,200
Insurance (Note 11)	$ 28,500
Management Fee (Note 12)	$ 36,000
Administrative Expenses (Note 13)	$ 12,000
Contingency 2.5% (Note 14)	$ 21,631
Reserve Fund (Note 15)	$ 86,523
Total Expenses	$ 865,228
Estimated Income	**Total**

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

NOTES TO SCHEDULE B

(1) (1) Amounts are projected on the assumption that the first year of condominium operation will be the year from January 1, 2016 to December 31, 2016. The actual first year of condominium operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their deposits returned, together with interest earned thereon.

(2) Common Charges Residential Units: $855,064

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

(3a) Storage Area Income: $4,404

This amount represents income that will be generated by licensing fees related to 17 storage bins. These bins will be licensed to Unit Owners at an initial rate of $1 per square foot per month.

(3b) Bicycle Room Income: $5,760

This amount represents income that is anticipated to be generated by fees related to 24 bicycle storage racks. These storage racks will be assigned to Unit Owners at an initial rate of $20 per storage rack per month.

(4) Payroll and Related Expenses: $297,365

The payroll projection for the Building is based upon a proposal, dated November 16, 2013, from Kent Services, Inc. located at 150 West 28th Street, Suite 1303, New York, New York 10001 ("Kent") to provide concierge/doorman services and janitorial and maintenance services.
Pursuant to Kent's proposal the following services will be provided at the quoted costs:

Concierge:

The lobby of the Building will be manned by rotating doormen, to provide 24 hours per day coverage, seven (7) days per week. The doormen shall assist those arriving and departing and

provide general concierge duties. The doormen will supervise all admissions to the lobby, as well as identify and announce all visitors to a specific Residential Unit.

SERVICE	# OF HOURS PER WEEK	BILL RATE PER HOUR	MONTHLY COST	ANNUAL COST	Holiday	NY State Sales Tax**	ANNUAL TOTAL with Sales Tax
Concierge	168	$19.00	$13,832.00	$165,984.00	$1,596.00	$0.00	$165,984.00

* Holiday rate is included, our six (6) holidays: Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day "

NOTE: Kent pricing incorporates the following: provide, professional screening , training, oversight/supervision and uniforms for all on-site personnel. All benefits will be provided by Kent.

Porter:

The duties of the non-resident Porter include cleaning the sidewalk in front of the entrances to the Building, including snow removal, cleaning the common hallways, stairs, elevator cab and common areas, as needed and putting out trash for collection.

The Porter will be employed 40 hours per week, Monday through Friday.

SERVICE	# OF HOURS PER WEEK	BILL RATE PER HOUR	MONTHLY COST	ANNUAL COST	Holiday	NY State Sales Tax**	ANNUAL TOTAL with Sales Tax
Porter	40	$17.00	$2,946.67	$35,360.00	$340.00	$3,472.36	$38,832.36

* Holiday rate is included, our six (6) holidays: Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day "

NOTE: Kent pricing incorporates the following: provide, professional screening , training, oversight/supervision and uniforms for all on-site personnel. All benefits will be provided by Kent.

Visiting Manager/Super:

The duties of Visiting Manager/Super include checking the daily operation of the common mechanical equipment in the Building and supervising the building porter.

Staffing shall comply with all applicable Legal Requirements, including the Administrative Code of the City of New York, Section 27-2052, et seq.

SERVICE	# OF HOURS PER WEEK	BILL RATE PER HOUR	MONTHLY COST	ANNUAL COST	Holiday	NY State Sales Tax**	ANNUAL TOTAL with Sales Tax
Super	28	$41.33	$5,014.55	$60,174.63	$0.00	$5,340.50	$65,515.13

* Holiday rate is included, our six (6) holidays: Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day"

NOTE: Kent pricing incorporates the following: provide, professional screening , training, oversight/supervision and uniforms for all on-site personnel. All benefits will be provided by Kent.

The total annual costs for the above described services are $270,331.49. This includes labor, uniforms, holidays, one week paid vacation, two personal days, NYS sales tax and health benefits to be offered to all full-time associates if they choose to accept them.

The projected annual cost has been increased by 10% for inflation ($270,331.49 x 110% = $297,365).

(5) Gas Heating, Cooking and Hot Water: $ 21,960

Gas consumption for the Building, including any supplemental heat for the public corridors, domestic hot water in the Units and Common Elements, gas consumed for cooking, gas dryers and fireplaces in the Building and gas consumed in the Common Elements shall be provided by gas-fired, storage type domestic hot water heaters located in the cellar of the building. The cost of this gas consumption for such heat, hot water and other uses shall be collectively metered by one or more meters. Gas service shall be provided by the Consolidated Edison Company of New York and shall be a Common Expense of all of the Unit Owners.

Total cost of gas consumption is based upon projections, dated January 13, 2014, made by Buro Happold Consulting Engineers P.C., The estimated amount for the First Year of Operation of the Condominium, including public spaces is based on the following:

ESTIMATED UTILITY COMMON COSTS

1. The estimated first year cost for gas consumption for domestic hot water: $6,104.44

2. The estimated first year cost for gas consumption for heating and Fireplaces: $9,921.48

3. The estimated first year cost for gas consumption for cooking gas and dryers: $4,810.91

Estimated Total: $20,836.83 for the first year

It is impossible to predict whether the budgeted figure will reflect the actual cost of gas for the actual First Year of Condominium Operation. This cost will vary with both the level of consumption of gas and the rate charged by the utility company. The level of consumption of gas will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating and lowering the temperature of the heat and hot water, etc.) adopted by the Board of Managers. Any projection of future costs therefore is difficult.

The projected annual cost has been increased by 5% for inflation ($20,836 x 105% = $21,878, increased to $21,960 for projection purposes).

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of gas during the projected first year of condominium operation. However, no budget item is warranted.

(6) Electricity for Common Elements: $ 196,050

The first year electricity projection includes the aggregate cost of electricity supplied to the Common Elements at the Property. Common site electric meters are for the elevator, lighting in public corridors and stairs, mechanical equipment and miscellaneous common electric power for the Building, including, but not limited to, the amenities of the Property, electricity consumed

for heating and/or air-conditioning of the Common Elements. Electrical Service shall be provided by the Consolidated Edison Company of New York. The cost of electricity for the Common Elements shall be a Common Expense of all of the Unit Owners and shall be paid by the Board of Managers. The cost of such electricity has been estimated as of January 13, 2014 by Buro Happold Consulting Engineers P.C.

The projections contained herein are based on consumption estimates of 933,522.30 kilowatt hours per year and a current flat residential average rate of $0.20 per Kwh. The total estimated annual electricity cost for the Common Elements is $ 186,704.46. The projected annual cost has been increased by 5% for inflation ($186,704.46 x 105% = $196039.68, increased to $196,050.00 for projection purposes).

Costs can vary considerably depending upon actual usage, personal habits and maintenance of equipment in efficient operation condition as well as thermostat settings. These figures are not intended to be guaranteed.

The amount set forth is the estimate for the electricity consumed only by the Common Elements. There will be one master Con Edison meter servicing the entire building, and each Residential Unit and the aggregated Common Collectively Elements will be sub-metered.

(7) Water Charges and Sewer Rent: $ 69,900

All charges for water consumed in both the Units and in the Common Elements; together with all related sewer rents arising therefrom, shall be a Common Expense of all of the Unit Owners and shall be paid by the Board of Managers.

The cost of water consumption in the Units and in the Common Elements, together with all related sewer rents arising therefrom, has been estimated as of January 13, 2014 by Buro Happold Consulting Engineers P.C. The amount budgeted for the Residential Units and the Common Elements is based upon the following:

Total Annual Water & Sewage Usage for Residential Common areas: 64,617 cu.ft./ year
Total Annual Water & Sewage Use for Residential units: 692,914 cu.ft./year

757,531 cf/year x $8.78/100 cf = $66,511/yr

The projected annual cost has been increased by 5% for inflation ($66,511 x 105% = $59,836.79, increased to $69,900 for projection purposes).

(8) Repairs, Maintenance & Supplies: $ 11,500

The figure does not include maintenance, repairs and supplies within specific Units, which are the obligation of the Unit Owner, but is designated to cover the cost of maintaining the Common Elements only, i.e., interior repairs not within Units, exterior repairs, including walls, windows, doors and locks, and painting of common areas which have been designated as

Common Elements. Each Residential Unit Owner will be responsible for the cost of interior maintenance, repairs, decoration and painting of their respective Units.

No provision has been made in this line item to cover the cost of any major capital expenditure. Although no such additional expenditure is expected because the Building is newly constructed, each Unit Owner will be obligated to pay his pro rata share of such expenditures in the event that any such expenditures are required, except as provided with respect to the "Reserve Fund" discussed in Note 16 of this Budget.

Repair and maintenance expenses have been allocated among all Units on the basis of their shared percentage interest in the Common Elements.

(9) Service Proposals & Contracts: $ 67,600

This estimate includes the cost of various services used in or for the Common Elements, including heating & cooling maintenance, sprinkler & fire protection, metal, extermination, concierge service, exterior window cleaning and water treatment.

The following is a cost estimate for each prospective contract:

AC Maintenance / Heat pumps	30,000.00
Fire Alarm and Sprinkler	2,500.00
Window Cleaning	12,600.00
Boiler	5,000.00
Water Treatment	5,000.00
Exterminating	3,000.00
Hot Water Mechanical Equipment	9,500.00
Concierge Service	0.00

No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based on estimates received from contractors and otherwise or the experience of Sponsor's budget expert, in operating similar buildings. Sponsor will pay for concierge service for the first year of operation. Board of Managers will have the option to continue this service for the second year of operation.The cost for similar service is projected as $30,000 per year.

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

(10) Elevator Maintenance $16,200

The passenger elevators in the Building which service all of the Residential Units is a Common Element of the Building. Therefore, the cost of any repairs, maintenance and/or replacement of the passenger elevators shall be the responsibility of the Unit Owners as a Common Expense.

The amount indicated below is an estimate made by the proposed Managing Agent for the Building based upon a written proposal, dated January 24, 2014, from Pro Elevator Company. in the amount of $1,300.00 per month or $15,600.000 per annum, plus any applicable sales tax for the maintenance of the elevators at the Building. The amount estimated for such service does not include the cost of any required repair, if any.

The projected annual cost has been increased by 3.85% for inflation ($15,600 x 103.85% = $16,200).

(11) Insurance: $ 28,500

The following is recommended for the Condominium for the first year of Condominium Operation in a letter, dated January 16, 2014, from A. Logan Insurance, having an office at 260 West 36th Street, 9th Floor, New York, New York 10018.

The following coverage for the First Year of Condominium Operation is proposed:

Building Property-All Risk/Agreed Amount/ Replacement Cost	$28,000,000 – All Risk
Boiler Coverage	$28,000,000
Business Income/Extra Expense including Maintenance	$ 250,000
Deductible - $10,000	
General Liability	$ 1,000,000 Per Occurrence
	$ 2,000,000 Aggregate
	$ 1,000,000 Personal & Advertising Injury
	$ 2,000,000 Products/Completed Operations

	$ 5,000 Medical Expense(Per Person)
	$ 1,000,000 Non Owned Hired Auto
Umbrella Liability	$10,000,000 Per Occurrence/Aggregate
Directors & Officers Liability	$ 1,000,000
Deductible - $2,500	
Crime- Employee Dishonesty Coverage	$ 100,000
Deductible - $1,000	
TOTAL PREMIUM:	**$ 28,500**

The projected annual cost for the above coverage is $28,500.00. The proposed coverage for the Property is quoted under a Package Policy on a Replacement Cost basis. The limits selected and set forth above would be payable in full, up to the policy limit in the event of a complete loss. The policy is written with no coinsurance. Therefore, in case of a partial loss, there would be no coinsurance factor used in adjusting the loss. However, the replacement cost quoted and the representation of non co-insurance is based upon the assumption that the quoted coverage should be adequate to repair or replace the Building if totally destroyed, using Marshall & Swift Publications as a guide, provided that there are approximately 81,421 square feet in the Building, above grade. Costs for Worker's Compensation coverage and New York State Disability are included in the cost projection for Salaries, Including Payroll Taxes and Benefits. This quotation is an indication of insurance premiums at current market rates. Because conditions may change in the Insurance marketplace, based upon industry losses, catastrophes, economics, etc., it is not possible to predict what premiums will be for the First Year of Condominium operation. Purchasers should be aware of the possibility of rate increases. The above is for Illustration Purposes Only. There is NO COVERAGE BOUND AT THIS TIME. Coverages are subject to the terms and Conditions as set forth by the Insurance Company and at the time of the effectiveness of the coverages.

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

No coverage is provided for such risks as fire and casualty losses to the contents of each individual Unit, nor does the coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Unit Owner is included in the coverage provided above. Prospective

purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

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

(12) Management Fee: $ 36,000

Based upon a proposed management agreement with TNG Management LLC ("Managing Agent") commencing on the date of the First Unit Closing, at an annual fee of $36,000.00 and payable in twelve (12) equal monthly installments of $3,000.00. The management agreement, which is for an initial term of one (1) year, shall be automatically renewed for intervals of 60 days. A principal of the Managing Agent is also a principal of Sponsor as set forth hereinafter.

As the Managing Agent, TNG Management LLC will receive management fees and may also receive other commissions or fees for performance of services rendered to the Board of Managers and Unit Owners. In view of the relationship between a principal of the Management Agent and Sponsor, the interests of the Managing Agent in performing these services may conflict with the interests of the Board of Managers.

In the opinion of Sponsor, the cost of management as estimated for the First Year of Condominium Operation is within the range of prevailing market rates for such services. If the Condominium is required to obtain management services from another managing agent, or if TNG Management LLC, increases the fee in the second year of condominium operation, the annual Common Expenses of the Condominium would increase. As a result, the individual Common Charges of the Units would increase based upon the percentage Common Interest of each Unit. Please consult the section of the Plan titled "Management Agreement and Other Contractual Arrangements" for a further discussion and details.

(13) Administrative Expenses: $ 12,000

Based on the following itemized projections:

Various Office Supplies, Telephone, Postage and Miscellaneous:	$	2,000.00
Legal Expense:	$	3,500.00
Accounting Expense:	$	4,000.00
Fees, Inspection, Permits and Filings:	$	2,500.00
	$	12,000.00

The estimate of Accounting Expenses is based upon a fee quotation of $4,000.00 provided by Paritz & Company, Certified Public Accountants, located at 15 Warren Street, Suite 25, Hackensack, New Jersey 07601.

The accounting services to be provided will consist of the preparation of the applicable federal, state and city income tax returns for the Condominium and preparation of year-end audit financial statements, which shall be certified if Sponsor is still in control of the Board.

The estimate of legal expenses is based upon 20 hours of consultation with an attorney to be retained by the. Board of Managers at an approximate rate of $250.00 per hour. Such consultation would include, but not be limited to, issues raised by the Board of Managers in connection with the operation of the Property. Since no separate counsel has been appointed by Sponsor for the Condominium and as it is expected that each Purchaser shall be represented by an attorney in connection with the purchase of a Unit, it is not anticipated that further legal expense shall be required by the Condominium during the first year of Condominium operation. However, in the event that legal services are required by the Condominium in excess of the first year estimate, then such services would be billed on an hourly rate or monthly retainer rate to be determined and negotiated by the Board of Managers with the attorney to be retained.

Legal and audit fees have been allocated among all Units on the basis of their shared percentage interest in the Common Elements.

(14) Reserve for Contingencies: $ 21,631

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

The reserve has been allocated among all Units on the basis of their percentage interests in the Common Elements.

(16) Reserve Fund: $86,523

A reserve in the amount of $86,523 for each of the first two years of operation will be established through common charges contribution by all unit owners. The Board of Managers shall prepare a reserve study after the second year of Condominium operation and will subsequently decide, based on that report, if the reserve shall continue to be funded.

The Reserve Fund is established in order to provide periodic maintenance, repair and replacement of the Common Elements as determined by the Condominium Board of Managers. The amount budgeted is approximately ten percent (10%) of the Total Expenses. Sponsor makes no representation that this Reserve Fund will be, or is intended to be, adequate or sufficient to cover periodic maintenance, repair and replacement expenses of the Common Elements for the first or any subsequent year of Condominium operation. If such improvements, periodic maintenance or repairs and/or replacement are needed within that time period it is anticipated that they will be funded from this Reserve Fund together with the

other line item expenses as set forth in the budget. If additional funds are required over and above this Reserve Fund, it may be necessary to increase the Common Charges or institute a Special Assessment.

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F. SCHEDULE B-1

Projected Annual Electricity Cost

By letter dated January 13, 2014, Buro Happold Consulting Engineers P.C., provided an estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Residential Unit (the "Schedule B-1"). The Schedule B-1 is located on the following pages. In connection with the Schedule B-1, please note the following:

* Annual electric estimated costs are based on a Con Edison flat rate of $0.20/kW-hr.
** Demand Charges are rolled into this estimate and will be applied by Con Edison based on published peak kW / month rates at time of occupancy.

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

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D. ESTIMATED COST OF ELECTRICITY FOR INDIVIDUAL CONDOMINIUMS

SCHEDULE B-1: INDIVIDUAL CONDOMINIUM ELECTRICAL COSTS (RESIDENTIAL)								
APT	NUMBER OF BEDROOMS	SQFT	LTG/POWER (kW)	ANNUAL LTG/PWR USAGE (kW-HRS)	ESTIMATED FCU LOAD (kW)	ANNUAL FCU USAGE (kW-HRS)	TOTAL ANNUAL USAGE (kW-HRS)	ESTIMATED ANNUAL ELEC. COST ($)
1A	2	1324.0	3.4	5377	1	4380	9757	$ 1,951.40
1B	1	457.0	1.2	1898	0.5	2190	4088	$ 817.60
1C	2	793.0	2	3163	1	4380	7543	$ 1,508.60
1D	2	1402.0	3.6	5693	1	4380	10073	$ 2,014.60
2A	1	709.0	1.8	2847	0.5	2190	5037	$ 1,007.40
2B	2	1508.0	3.8	6009	1	4380	10389	$ 2,077.80
2C	1	630.0	2	3163	0.5	2190	5353	$ 1,070.60
2D	3	1857.0	4.7	7433	1.5	6570	14003	$ 2,800.60
2E	1	764.0	2	3163	0.5	2190	5353	$ 1,070.60
3A	1	708.0	1.8	2847	0.5	2190	5037	$ 1,007.40
3B	2	1469.0	3.7	5851	1	4380	10231	$ 2,046.20
3C	2	1111.0	2.8	4428	1	4380	8808	$ 1,761.60
3D	3	1856.0	4.7	7433	1.5	6570	14003	$ 2,800.60
3E	1	764.0	2	3163	0.5	2190	5353	$ 1,070.60
4A	1	708.0	1.8	2847	0.5	2190	5037	$ 1,007.40
4B	2	1469.0	3.7	5851	1	4380	10231	$ 2,046.20
4C	2	1111.0	2.8	4428	1	4380	8808	$ 1,761.60
4D	3	1856.0	4.7	7433	1.5	6570	14003	$ 2,800.60
4E	1	764.0	2	3163	0.5	2190	5353	$ 1,070.60
5A	1	708.0	1.8	2847	0.5	2190	5037	$ 1,007.40
5B	2	1469.0	3.7	5851	1	4380	10231	$ 2,046.20
5C	2	1111.0	2.8	4428	1	4380	8808	$ 1,761.60
5D	3	1856.0	4.7	7433	1.5	6570	14003	$ 2,800.60
5E	1	764.0	2	3163	0.5	2190	5353	$ 1,070.60
6A	1	708.0	1.8	2847	0.5	2190	5037	$ 1,007.40
6B	2	1469.0	3.7	5851	1	4380	10231	$ 2,046.20
6C	2	1111.0	2.8	4428	1	4380	8808	$ 1,761.60
6D	3	1856.0	4.7	7433	1.5	6570	14003	$ 2,800.60
6E	1	764.0	2	3163	0.5	2190	5353	$ 1,070.60
7A	1	708.0	1.8	2847	0.5	2190	5037	$ 1,007.40
7B	2	1469.0	3.7	5851	1	4380	10231	$ 2,046.20
7C	2	1111.0	2.8	4428	1	4380	8808	$ 1,761.60
7D	3	1856.0	4.7	7433	1.5	6570	14003	$ 2,800.60
7E	1	764.0	2	3163	0.5	2190	5353	$ 1,070.60
8A	1	708.0	1.8	2847	0.5	2190	5037	$ 1,007.40
8B	2	1469.0	3.7	5851	1	4380	10231	$ 2,046.20
8C	2	1111.0	2.8	4428	1	4380	8808	$ 1,761.60
8D	3	1856.0	4.7	7433	1.5	6570	14003	$ 2,800.60
8E	1	764.0	2	3163	0.5	2190	5353	$ 1,070.60
9A	1	792.0	2	3163	0.5	2190	5353	$ 1,070.60
9B	3	1752.0	4.4	6958	1.5	6570	13528	$ 2,705.60
9C	2	1496.0	3.8	6009	1	4380	10389	$ 2,077.80
10A	1	792.0	2	3163	0.5	2190	5353	$ 1,070.60
10B	3	1752.0	4.4	6958	1.5	6570	13528	$ 2,705.60
10C	2	1496.0	3.8	6009	1	4380	10389	$ 2,077.80
11A	3	2008.0	5.1	8065	1.5	6570	14635	$ 2,927.00
11B	3	1769.0	4.5	7116	1.5	6570	13686	$ 2,737.20
12A	3	2008.0	5.1	8065	1.5	6570	14635	$ 2,927.00
12B	3	1769.0	4.5	7116	1.5	6570	13686	$ 2,737.20

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

SANDBERG MANAGEMENT CORP.
345 SEVENTH AVENUE, 8TH FLOOR, NEW YORK, NY 10001 (212) 268-0494 FAX (212) 268-0397

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

January 31, 2014

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

Re: 261 West 25th Street Condominium
261 West 25th Street, New York, New York 10001

Gentlemen:

Sandberg Management Corp. is a licensed real estate brokerage firm in the State of New York. Our firm is in the real estate management business for a period in excess of eighteen (18) years. We currently manage and in the past have managed residential brownstone and conventional elevator and non-elevator apartment buildings which are operated in the cooperative or condominium form of ownership, many of which contain commercial property. The undersigned has no beneficial interest in Sponsor or the profitability of the subject project.

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

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

Very truly yours,

SANDBERG MANAGEMENT CORP.

By: _____
Name: Louis Sandberg
Title: President

Sworn to before me this
31 day of January, 2014

_____
Notary Public

YEKATERINA SHTERENBERG
Notary Public, State of New York
No. 01SH6242719
Qualified in Kings County
Commission Expires 06/06/2015

H. CHANGES IN PRICES, RESIDENTIAL UNITS AND STORAGE BIN LICENSES

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

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

If Sponsor changes the Purchase Price of a Residential Unit, the Purchaser affected thereby may pay more or less than other Purchasers under the Plan for similar Residential Units, but this will not affect any prior or subsequent sales, nor will the Common Interest of any Residential Unit be altered as a result of a price change for such Residential Unit.

In order to meet the possible varying demand for number and type of different Residential Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Residential Unit Owner or mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Residential Unit; (ii) change the layout of, or number of rooms in, any Unsold Residential Unit; (iii) change the size and/or number of Unsold Residential Units by subdividing one or more such Residential Units into two or more separate Residential Units, combining separate Unsold Residential Units (including those resulting from a subdivision or combination or otherwise) into one or more Residential Units, altering any boundary walls between any Unsold Residential Units, and/or incorporating within any Unsold Residential Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate, reapportion among the Unsold Residential Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Residential Unit's Common Interest will be made without obtaining the prior consent of all Residential Unit Owners affected by such change; and (v) change the permitted use of some or all of the Unsold Residential Units. Sponsor also reserves the right, but is under no obligation, to create new Storage Bins from under-utilized Common Elements (i.e., Common Elements, in

whole or in part, which have not been specified for a given purpose or use in the Plan, or which are otherwise unnecessary for the use and benefit of the Common Elements to which they are adjacent) and sell licenses therefor, and to change the number and size of the Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin's space.

Any such change described in subsections (ii) through (v) in the immediately preceding paragraph and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. As more particularly provided in the Declaration, Sponsor or its designee will have the right to (or to cause the Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Residential Units. None of the foregoing changes will be made if the same would materially and adversely affect any Residential Unit for which an Agreement has been countersigned by Sponsor and returned to Purchaser unless: (a) the applicable Purchaser consents or is in default; (b) such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right for at least 15 days to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission. Notwithstanding the foregoing, so long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing such Residential Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the Floor Plans. With regard to size, such minor error would mean a decrease of 5% or less or any increase in the size of any Unit or room contained in a Unit. There is a rebuttable presumption that a Unit size that is diminished by 5% or less is not material.

No Purchaser will have the right to alter or modify any Storage Bin without the consent of the Condominium Board, which may be granted or withheld in its sole and absolute discretion.

Sponsor shall have the same rights with respect to changes in Storage Bins and the prices therefor as set forth above for Unsold Residential Units, with respect to the Storage Bin Licenses offered under this Plan.

I. INTERIM LEASES

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Residential Unit, to rent or lease, rather than sell, such Residential Unit to Purchasers and others. As a result, a Purchaser of a Residential Unit may be acquiring a Residential Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. However, once an Agreement for a Residential Unit is fully executed and for so long as the Agreement is in effect, such Residential Unit may only be leased to its Purchaser (unless such Purchaser agrees otherwise). No Purchaser shall have the right to occupy any Residential Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim lease or other written rental agreement.

If an Unsold Residential Unit is rented prior to the First Closing such Unit will be rented pursuant to the terms of an interim lease agreement with the Purchaser or Purchasers for which such Unit is then under contract.

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

If Sponsor agrees to lease a vacant Residential Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an interim lease to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease, whereupon the lessee must vacate the Residential Unit with 10 days thereafter. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Residential Unit.

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

In the event of any amendment to the Plan that discloses a material adverse change to the Plan and offers the Purchaser a right to rescind, if a Purchaser who is a tenant under an interim lease duly elects to rescind, Purchaser's Deposit hereunder will be returned subject to the terms of the Plan and the interim lease made with such Purchaser shall be cancelled and possession of the Residential Unit must be surrendered within (thirty) 30 days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to

Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said 30 day period or of damage caused by Purchaser to the Residential Unit. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the interim lease. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Residential Unit's Common Interest, of debt service on any loan covering the Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

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

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J. PROCEDURE TO PURCHASE

1. Execution of Documents

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

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

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

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

2. Deposits/Escrow

(a) General

As set forth above, a prospective Purchaser shall deliver to Selling Agent, together with the four signed original counterparts of the completed Agreement, an option payment (any of the following amounts, the "Initial Deposit") in an amount equal to: (a) 10% of the Purchase Price; or (b) 50% of the Purchase Price if the Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity). A prospective Purchaser who, in accordance with the previous sentence, was only required to make an Initial Deposit equal to 10% of the Purchase Price will be required to make, in addition to the Initial Deposit, an additional payment equal to 5% of the Purchase Price of such Purchaser's Residential Unit (the "Additional Deposit") due and payable no later than the earlier to occur of: (a) that date which is six months after the date of the Agreement; or (b) 30 days after Sponsor serves Purchaser with written notice of acceptance by the New York State Department of Law of an amendment which declares the Plan to be effective, but in no event later that the Closing. If an amendment declaring the Plan to be effective has been accepted by the Department of Law as of the date on which the Initial Deposit is due, then any Additional Deposit shall be due and payable at the same time as the Initial Deposit. No Additional Deposit shall be required if the Purchaser is a foreign government or other person or entity referenced in (b) of the first sentence of this paragraph and who or which has made a 50% Initial Deposit as described above. The term "Deposit", as used in this Plan, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit. All such payments shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent." All such checks shall be subject to collection and if any such check is returned for insufficient funds or for any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be cancelled and of no further force or effect, and to retain any Deposit and other amounts previously deposited. At Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor

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

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

(b) The Escrow Agent

The law firm of Kramer Levin Naftalis & Frankel LLP, with an address at 1177 Avenue of the Americas, New York, New York 10022, telephone number 212-715-9100, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Jay A. Neveloff, Jonathan H. Canter, Neil R. Tucker, James P. Godman and Tzvi Rokeach. 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 Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(c) The Escrow Account

The Escrow Agent has established the escrow account at TD Bank, N.A., 317 Madison Avenue, New York, New York 10017 ("Bank"), a bank authorized to do business in the State of New York. Each escrow account is entitled "The Seymour Condominium Escrow Account" or similar name (each the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank, the funds in said accounts will be added together with the deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the FDIC's maximum coverage.

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

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of May 1, 2014, such rate was no less than 0.15%. The actual initial interest rate for the Escrow Account with respect to any particular Purchaser's Deposit shall be set forth in the notice to be sent to Purchaser (as described below). As noted, the interest rate on such accounts will fluctuate and neither Sponsor nor Escrow Agent makes any representation regarding the rates that will be in effect from time to time or the actual rate of interest on, or the interest that may accrue for any particular account or for any particular Purchaser, from time to time. Interest, if any, shall begin to accrue upon placing the Deposit into the Escrow Account, however, no interest will be earned until the Deposit check is deposited with and collected by the Bank and provided that the Purchaser has delivered the required number of completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit 1A in Part II of the Plan or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the form reproduced as Exhibit 1B in Part II of the Plan, or other appropriate Form W-8, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Purchaser does not deliver the Form W-9, Form W-8BEN or other appropriate Form W-8, as applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9 or Form W-8BEN has been delivered, and neither Sponsor, Selling Agent, the Escrow Agent nor the Bank shall be

liable for interest for the period prior to the delivery of such form. Interest will not be earned after a withdrawal is made from the Escrow Account in anticipation of the closing. All interest earned on a Purchaser's Deposit shall be paid to or credited to the Purchaser at closing unless Purchaser has defaulted and Sponsor is entitled to retain the Deposit. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

(d) The Agreement

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

(e) Notification to Purchaser

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

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

(f) Release of Funds

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after "consummation of the plan" (i.e., the filing of the Declaration and the First Closing following the Department of Law's acceptance of an amendment declaring the plan effective). Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

(g) Waiver Void

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

(h) Other

Sponsor or Escrow Agent will submit a Form 1099-INT to the Internal Revenue Service reporting interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of its Agreement or the Plan. Before funds are transferred to a new Escrow Account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the applicable escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the Escrow Account only after the Attorney General approves in writing the use of such alternate form of security.

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

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

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

3. Date of the First Closing

In the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections therefor, and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2016), then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers.

4. Default

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligation under his or her Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, may cancel such Agreement and, once the Plan has been consummated, retain as liquidated damages the Deposit made by the Purchaser, together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Residential Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. In such case, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. (See "Deposits/Escrow" above within this Section of the Plan for further discussion.

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

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

As provided in the form of Agreement, which is set forth in Part II of the Plan as Exhibit 1, the following occurrences, without limitation of any other term or provision thereof or of the Plan, shall constitute an event of default under a Purchaser's Agreement: (a) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a

voluntary petition in bankruptcy; (b) the appointment of a non-bankruptcy trustee or receiver over Purchaser or Purchaser's property, or the filing of an involuntary petition in bankruptcy against Purchaser; or (c) the filing of a judgment or tax lien against Purchaser which Purchaser does not pay or bond within 30 days after the filing thereof.

5. Risk of Loss

The risk of loss to any Purchaser's Unit by fire or other casualty until the closing of title to such Unit is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any such Unit. Further, a Purchaser who takes possession of a Unit prior to the closing of title assumes the risk of losses to the Unit not covered by insurance. If a Residential Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Residential Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Board, and other Residential Unit Owners, belong entirely to Sponsor.

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

6. Financing

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

7. Transfer (and Mansion) Taxes

As described more fully in the Section entitled "Residential Unit Closing Costs and Adjustments" in Part I below, Purchasers shall be responsible (as is customary in condominium offerings) for the payment at closing of all New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax, notwithstanding that these taxes are by law primarily the obligation of the seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Currently, for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax is 1% of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Residential Unit. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently (as of the date of the filing of this Plan) 1% of the consideration paid when the consideration is $1,000,000 or more, which tax by law is the primary obligation of the Purchaser.

The purchase price, together with transfer taxes and any other consideration or amounts payable by Purchasers which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at total consideration for transfer tax and Mansion Tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

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

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

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

9. Notice of Effectiveness

After the Plan has been declared effective, Sponsor will from time to time set the date for closing for all Residential Units as to which Agreements have been executed by serving 30 days written notice to said purchaser(s) of said closing. Sponsor, in its sole discretion, may permit Purchasers to waive said 30 day notice.

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K. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Forms W-9 Forms W-8BEN, or other appropriate Form W-8, as applicable, must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Kramer Levin Naftalis & Frankel LLP" (for services rendered in connection with the assignment), not less than 10 days prior to the date scheduled for the Purchaser's closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing such Unit(s) for sale or resale with any broker or otherwise advertising, promoting or publicizing the availability of such Unit(s) for sale prior to closing shall remain in effect.

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

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L. EFFECTIVE DATE

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

The Plan may be declared effective, at Sponsor's option, when bona fide Agreements (including those executed by investors) have been executed and are in effect with respect to not fewer than 8 Residential Units, representing 15% of the Residential Units offered hereby. The Plan must, however, be declared effective when bona fide Agreements have been executed and are in effect with respect to at 40 Residential Units representing 80% or more of such Residential Units.

The Plan will not be declared effective based on an Agreement: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii)subject to the immediately preceding clause "(i)", signed by a Purchaser not afforded the three business day period to review the Plan (prior to executing an Agreement) provided for in the Section entitled "Procedure to Purchase" above in Part I of the Plan; or (iii) entered into with a Purchaser who is Sponsor, Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such Purchaser is bona fide. Except as may otherwise be limited by this Section of the Plan, all 49 Residential Units shall be counted toward declaring the Plan effective.

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

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

Plan, and were either known to Sponsor or were a matter of public record, and attorneys' fees, shall be excluded.

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

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M. TERMS OF SALE

1. Prerequisites to Closing of Title

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

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

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

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

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

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

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

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

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

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

accepted by Sponsor. Any delay in closing occasioned by the presentation of such checks shall be deemed to have been caused by Purchaser and may, at the option of Sponsor, constitute a default under the Agreement and/or give rise to additional costs or expenses to be borne by Purchaser.

3. Tax Returns and Power of Attorney

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

4. Casualty

As discussed in the section of the Plan entitled "Procedure to Purchase," the risk of loss to any Purchaser's Unit by fire or other casualty until the closing of title to such Unit is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any such Unit. Further, a Purchaser who takes possession of a Unit prior to the closing of title assumes the risk of losses to the Unit not covered by insurance. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Board, and other Unit Owners, belong entirely to Sponsor.

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

5. Tax-Deferred Exchanges

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

6. Prohibition Against Advertising and Resale

Purchasers are prohibited from listing their Residential Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Residential Units for sale prior to the closing of title thereto. In addition, for a period of 12 months after the Closing of a Residential Unit, the Purchaser of the Unit is prohibited from advertising, listing or selling such Unit.

7. Existing Mortgages and Construction Loans

As of the filing of the Plan, Sponsor has not obtained a construction loan (the "Construction Loan"). In the event a Construction Loan covering the Property will not be satisfied at or prior to the First Closing, at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Residential Units; or (ii) subordinate the lien of its mortgage to the Declaration and, at each applicable closing, release its lien on the Unit then being conveyed and its interest in the Common Elements.

N. UNIT CLOSING COSTS AND ADJUSTMENTS

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

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

2. Recording Charges: The fees charged by the City Register's Office for recording the Unit Deed, Power of Attorney and mortgage (if any), in the amount of $42.00 for each document, plus $5.00 per page (including the cover page), shall be payable by Purchaser, plus the $125.00 filing fee, if any, for the RP-5217 form shall be payable by the Purchaser. In addition, a Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, which shall be payable by Purchaser.

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

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

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

(iii) compute the taxable consideration by adding (i), the tentative RPT Tax and (ii), the tentative NYS Tax to the consideration;

(iv) multiply (iii), the taxable consideration, by the RPT Tax rate to determine the actual RPT Tax payable; and

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

As an example, in respect of a Unit purchased with consideration in the amount of $2,200,000 (which, in addition to the purchase price, would include any other consideration or amounts paid by Purchaser which are the obligation of Sponsor), the transfer tax calculation is as follows: (i) $2,200,000 x 1.425% = $31,350; (ii) $2,200,000/$500 x $2 = $8,800; (iii) $2,200,000 + $31,350 + $8,800 = $2,240,150; (iv) $2,240,150 x 1.425% = $31,922.14; (v) $2,240,150/$500 x $2 = $8,962. Mansion Tax (described below) in the amount of $22,401.50 would also be payable.

Under the current policies of the New York City Department of Finance (the "Department of Finance"), where a Purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer, the RPT Tax rate will be imposed at non-residential rates, i.e., where the consideration is $500,000 or less, the rate will be 1.425%, and where the consideration is in excess of $500,000, the rate will be 2.625%. This may be the case even if the Residential Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. The Department of Finance has taken the position that the consideration for the transfer of a Residential Unit under a deed is not aggregated with the consideration for the transfer of other Residential Units under separate deeds for purposes of determining total consideration. The Department of Finance has stated that such determinations are made on a case-by-case basis depending on the particular facts and circumstances and there is no guarantee that the Department of Finance will not change its position with respect to the foregoing.

If the purchase price together with any other consideration paid for a Residential Unit is $1,000,000 or more, Purchaser will also pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," which is currently (as of the filing of this Plan) 1% of the total consideration for a Residential Unit. Purchase price together with transfer taxes (the amount of which shall be computed as described above) and any other consideration or amounts payable by Purchasers which are the obligation of Sponsor, will be added together by the taxing authorities to arrive at total consideration for Mansion Tax purposes. For example, the Purchaser of a Residential Unit with a purchase price of $990,000, with respect to which Purchaser pays the NYS Tax and RPT Tax and other consideration, would be liable for the Mansion Tax because the aggregate consideration would be equal to or exceed $1,000,000. However, Sponsor makes no representation regarding the calculation of the Mansion Tax or the "consideration" upon which the taxing authorities may base such Tax and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

4. Mortgage Tax Credit. In order to reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgage(s), if the Purchaser: (a) obtains a mortgage loan, the Purchaser will pay to Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act; or (b) assumes or consents to the continuation of a mortgage lien encumbering only such Purchaser's Unit and as a result is entitled to an exemption of all or a portion of the mortgage tax otherwise payable, the Purchaser will pay to Sponsor an amount equal to such exemption, but in no event will the amount payable by the Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser to the

taxing authority if such mortgage tax credit or exemption had not been available to the Purchaser.

5. Mortgage and Related Costs: If the Purchaser obtains a mortgage loan, the Purchaser will be responsible for the payment of all mortgage recording taxes (taking into account however any payments made pursuant to subparagraph (4) above) and closing costs and expenses in connection therewith, in amounts determined by Purchaser's lender, which closing costs may include, but are not limited to, mortgage broker fees, the fees of such lender's counsel, recording charges and mortgage title insurance. Currently, the New York State and New York City mortgage recording tax levied on individual residential condominium Units located in New York City is $2.05 for each $100 (and each remaining major fraction thereof) with respect to mortgages of less than $500,000, and $2.175 for each $100 (and each remaining major fraction thereof) with respect to mortgages in the amount of $500,000 or more (less, in each case, a $30.00 credit). The two mortgage recording tax rates described in the previous sentence are comprised of the New York City mortgage recording tax ($1.00, or $1.125 in the case of individual residential condominium Unit mortgages in the amount of $500,000 or more); and the New York State Basic ($.50), Additional ($.30); and Special Additional ($.25) mortgage recording taxes. Mortgage lenders may require borrowers to pay mortgage recording taxes. However, with respect to individual residential condominium Units, mortgage lenders may not require borrowers to pay, subject to certain statutory exceptions, the special additional mortgage recording tax, which accounts for $.25 of the New York State rate (as previously described in this paragraph 5). Mortgage lenders also may require borrowers to pay deposits for Common Charges, real estate taxes, fire and casualty insurance premiums, assessments and water charges and sewer rents. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage financing from any sources. As previously stated in subparagraph 4 above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor and such Purchaser will cooperate with Sponsor in obtaining such credit. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

6. Closing Fees: For each Unit, the sum of $3,250 shall be payable to Sponsor's Counsel as a legal fee in connection with the closing of title of the Purchaser's Unit. For each issuance of a Storage Bin License, the sum of $500 as a legal fee in connection with processing the issuance of such Storage Bin License. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) $500 if the closing is held elsewhere in Manhattan; and (b) $750 if the closing is held in a borough other than Manhattan. In addition: (i) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $600 for each adjournment to help defray the cost of preparing for and coordinating the new closing; (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of

$1,000, payable in advance, for preparation of an assignment agreement; (iii) $250 for the preparation of ACRIS transfer documents required by the City of New York; (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's Counsel an additional fee of $500 to defray the additional costs associated therewith. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit; and (v) Purchaser shall pay Sponsor's counsel the sum of $600 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under §1031 of the Internal Revenue Code. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

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

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

9. Projected Closing Costs Table. The following table illustrates the projected closing costs (based on rates in effect as of the initial filing date of this Plan) for a typical Unit purchased by a Purchaser at a Purchase Price of $2,395,000 assuming such Purchaser finances 80% (i.e., $1,916,000) of the purchase price. All figures are estimates.

Fee Title Insurance (if purchased simultaneously with mortgage title insurance) & Municipal Search Fee	$6,729
Fee for recording Unit Deed (6 pages), Unit Owner's Power of Attorney (6 pages) and RP-5217	$455
Mortgage Loan Closing Costs	
- recording mortgage (assuming 20 pages)	$275

- mortgage recording tax (at 2.175% of $1,916,000 less $30.00 credit and 0.25% to be paid by lending institution) (Purchaser may be required to pay a portion of such tax directly to Sponsor)	$36,853
-mortgage title insurance (if purchased simultaneously with fee insurance)	$1,377
New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax	$44,508
New York State Mansion Tax	$24,387
Working Capital Payment	$3,544
First Month's Common Charges	$ 1,772
Closing Fee (assuming the closing occurs at the offices of Sponsor's Counsel) and, other than in respect of a mortgage, Purchaser has not incurred any additional fees as set forth above)	$3,250
ACRIS Transfer Document Preparation Fee	$250.00
Mortgage Closing Coordination Fee	$500.00
TOTAL	$123,900

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

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

O. RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations

a. Construction

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

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Residential Units to begin on or about January 1, 2016. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (being the date set forth in the Plan at the time a Purchaser executes an Agreement, presently projected to be January 1, 2016), then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

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

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

The issuance of a temporary or permanent Certificate of Occupancy for the entire Building shall be deemed presumptive evidence that Sponsor construction work at the Building and its appurtenances and all of the Residential Units has been substantially completed in accordance with this Plan and the Plans and Specifications. However, notwithstanding the foregoing, Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Residential Units offered hereby, or in the installation or operation of any appliances, furnishings (including the Residential Unit Furnishings), fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, but only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Residential Unit Owner in writing of such defect: (i) as to the Common Elements, within one year from the earlier of the issuance of a temporary Certificate of Occupancy for the portion of Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Residential Unit, on or prior to the date of closing for such Residential Unit, except that if any such defect in a Residential Unit can be detected only by occupancy of the Residential Unit, Sponsor will correct such defect if notified in writing by the Residential Unit Owner within one year from the earlier of the closing of title to such Residential Unit or the commencement date of an interim lease for such Residential Unit. Notwithstanding the foregoing, but without limiting Sponsor's obligation to complete Sponsor's construction work at the Building substantially in accordance with the provisions of this Plan, all applicable Legal Requirements, and the Description of Property as set forth in Exhibit 4 in Part II of the Plan (and as set forth in Special Risk #7), Sponsor will not be responsible for correcting any defects in the construction, renovation or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others are assigned to the Board or Residential Unit Owners; or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an

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

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

Each Residential Unit offered hereby and the fixtures and personal property contained therein, are being sold and delivered in the condition they exist at the time of transfer of title to such Unit (subject to Sponsor's obligation to deliver the Residential Unit in the condition set forth in the Section of Part II of this Plan entitled "Description of Property and Building Condition" subject to reasonable wear and tear), as described in the Plan at the time of the transfer of title to such Residential Unit, unless Sponsor and the Purchaser of such Residential Unit otherwise agree in writing. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the closing date and shall execute at such time an inspection statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Residential Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Residential Unit by Sponsor following the closing for such Residential Unit.

The Housing Merchant Implied Warranty Law (New York State General Business Law Article 36-B) does not apply to this offering.

b. Real Property Law §339-kk

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

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

> (a) If payment of common charges, assessments or late fees by any non-occupant Unit Owner is more than 60 days late after the expiration of any grace period within which they are due, payments from a tenant of such Unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant Unit Owner. Where a majority of the Condominium Board has been elected by Unit Owners who are in occupancy of their respective Units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the common charges, assessments and late fees of the non-occupant Unit Owner have been brought current, the Condominium Board must notify the non-occupant Unit Owners and tenant within three business days and thereafter the rental payments will be payable to the non-occupant Unit Owner or a designated agent.
>
> (b) Payment by a tenant of rent or the amount required pursuant to the tenant's lease or statutory tenancy to the condominium pursuant to the RPL

§339-kk, relieves the tenant from the obligation to pay rent to the non-occupying Unit Owner.

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

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

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

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

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

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

c. Payment of Expenses

All costs and expenses in connection with Sponsor's construction work at the Building and its appurtenances (including all sums properly due to contractors, subcontractors, suppliers and all others involved in such construction for work performed and fixtures, material and equipment supplied or installed) will be paid by Sponsor. Sponsor will cause all mechanic's liens arising out of Sponsor's construction or work at the Building to be bonded or discharged promptly after Sponsor receives notice of the filing of the same. Alternatively, Sponsor will cause the Title Company or the title insurance company insuring a Purchaser's title to a Unit to affirmatively insure against collection of such liens out of, or enforcement of the same against, such Unit by posting a bond or bonds or escrowing a sum of money. However, if a Purchaser's title insurance company refuses to grant such affirmative insurance and the Title Company or any other title or abstract company which is a member of the New York State Land Title Association, Inc. would have been willing to grant the same at its regular rates without additional

premium, neither such lack of affirmative insurance nor the existence of the liens in question will constitute a valid objection to title.

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

d. Assignment of Warranties

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

e. Certificate of Occupancy

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

In the event that a permanent Certificate of Occupancy has not been issued for the Building as of the First Closing, Sponsor is required to maintain all Deposits and funds paid on account of Purchase Prices (but not any payments given for special work ordered by Purchasers) in the special escrow account required by General Business Law Section 352-e(2)(b), unless Sponsor's engineer, architect, construction manager or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work remaining to be done by Sponsor in order to obtain such permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by Sponsor's engineer, architect, construction manager or

other qualified expert may be released from the special escrow account. Alternatively, Sponsor may place in escrow with Escrow Agent an unconditional irrevocable letter of credit, a surety bond from an institutional lender or recognized bonding company acceptable to the Department of Law, or cash, in each case in an amount that when added to the Deposits being maintained in the special escrow account, will equal not less than the amount so certified. Sponsor may also use as collateral to similarly secure its obligation to obtain a permanent Certificate of Occupancy, the unfunded portion of a construction loan (if any) or other collateral acceptable to the Department of Law and disclosed in an Amendment to this Plan. If Sponsor has placed cash in escrow, such funds will be held by Sponsor's Counsel in escrow in a separate bank account. All interest and income on such escrowed funds will be paid to Sponsor, as and when earned and collected.

As the work progresses, Deposits held for Units conveyed to Purchasers may be released to Sponsor by Sponsor's Counsel from time to time, provided the remaining Deposits maintained in the special escrow account, together with said unfunded construction loan (if any) or other acceptable collateral, shall be not less than the amount then so certified to be reasonably necessary to complete all remaining work in order to obtain a permanent Certificate of Occupancy. Sponsor's Counsel will rely entirely upon such certificate in releasing such funds or other collateral and will not make any independent inquiry or evaluation. Any remaining balance of the escrow funds and/or other collateral will be released to Sponsor upon the issuance of a permanent Certificate of Occupancy for the Building. If Sponsor has deposited a letter of credit or surety bond, it will be subject to periodic reduction in amount upon the same terms as described above for the reduction and release of a cash deposit.

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

f. Architect's Certification

In accordance with Section 339-p of the New York Condominium Act, a registered architect or licensed professional engineer shall, simultaneously with the recording of the Declaration, certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with appropriate governmental authorities.

g. Payment of Common Charges and Real Estate Taxes

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

Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of Common Charges from Purchasers under the Plan for a period of time prior to full

occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes. Sponsor, in its sole and absolute discretion, may upon 30 days prior written notice to Unit Owners terminate the Waiver Period.

If Sponsor shall exercise its right to waive collection of Common Charges as set forth above, Sponsor shall file an amendment to the Plan prior to the First Closing indicating that collection of common charges will not commence with the beginning of the First Year of Condominium Operations and further indicating the anticipated length of the Waiver Period. Sponsor shall also file an amendment to the Plan disclosing the expiration of the Waiver Period at least 30 days prior to such expiration. During any such Waiver Period, Sponsor will timely pay all Operating Expenses of the Condominium, including but not limited to insurance premiums and reserve fund payments required by construction lenders, if any. Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of Common Charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same.

h. Insurance

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

For the avoidance of doubt, each Unit includes, and each Unit Owner shall be responsible for (maintaining, insuring, repairing, replacing, etc.), all fixtures, equipment and other items of personalty, including, without limitation, front entrance door and any other entrance doors to such Unit, flooring and subflooring, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas

and heating fixtures and equipment such as heating, ventilating and air conditioning units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any equipment, fixtures or facilities (as defined in the Declaration) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit.

i. Right of Access

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

j. Dissolution

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

k. General

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

Sponsor agrees to indemnify the Board and the Unit Owners against, hold them harmless from and defend on their behalf any suits, proceedings, or claims arising out of any default by Sponsor in performing its obligations under this Plan or any breach of any representation expressly made by Sponsor in this Plan and resulting: (a) as to any Unit, from any occurrence taking place prior to the closing of title to such Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will

not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23A of the New York State General Business Law by Sponsor or as explicitly stated in this Plan.

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

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

l. Use of Unsold Residential Units

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

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

Unsold Residential Units may be leased by Sponsor, its designee or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing Certificate of Occupancy for the Building. While a Certificate of Occupancy has not yet been issued for the Building it is anticipated that the Certificate of Occupancy will not permit transient occupancy.

m. Alterations of Unsold Residential Units

Sponsor shall have the right, pursuant (and subject) to the terms of the Declaration and the By-Laws, as the same may be amended from time to time, without the approval of the Board or any other Residential Unit Owner or any Permitted Mortgagee, to make any alterations, additions, improvements or repairs in or to any Unsold Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, the right to combine two or more Unsold Residential Units, or to add more Residential Units by subdividing Unsold Residential Units or to change the number of rooms in, as well as the size, layout and square foot area of any Unsold Residential Unit).

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

n. Casualty

As discussed in the section of the Plan entitled "Procedure to Purchase", the risk of loss to any Purchaser's Unit by fire or other casualty until the closing of title to such Unit is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any such Unit. Further, a Purchaser who takes possession of a Unit prior to the closing of title assumes the risk of losses to the Unit not covered by insurance. If a Residential Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Residential Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Board, and other Residential Unit Owners, belong entirely to Sponsor.

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

o. Reservation of Air and Development Rights

Sponsor has retained and expressly reserves all excess air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the board of managers or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible. Further, as a result of such reservation by Sponsor, Sponsor may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale. In connection with Sponsor's reservation of Air Rights hereunder and under the Declaration, the Condominium Board, the Unit Owners and their respective mortgagees expressly waive any rights they may be deemed to have as a party in interest in connection with the Air Rights. As more particularly set forth in the Declaration, (a) the Condominium Board and each Unit Owner shall be required, upon the request of Sponsor or the purchaser of Air Rights from Sponsor, to execute and deliver any documents or applications reasonably required in connection with the use of such Air Rights; and (b) each Unit Owner shall grant to Sponsor a power of attorney to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Air Rights.

As of the filing date of the Plan, Sponsor anticipates that approximately 18,221 square feet of Air Rights will remain and be reserved to Sponsor. The Air Rights reserved by Sponsor will not be used to add additional floors to the top of the Building, and will only be used (1) for the sale or transfer for use in connection with properties other than the Building or (2) in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Right in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In the event such excess Air Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

p. Roof Rights/Easements

Sponsor has, with respect to the roof of the Building, the exclusive right (and such easements as shall be required) at any time and from time to time at its sole cost and expense, to exclusively erect, use, maintain, repair, replace, relocate and operate for Permitted Roof Platform Purposes, as hereinafter defined, one or more platforms, supports or structures on any portion of the roof (other than those portions of the roof which are Residential Limited Common Elements for the exclusive use of a particular Unit Owner) for the purpose of erecting, using, maintaining, repairing, replacing, relocating and operating for Permitted Roof Platform Purposes, antennae, satellite dishes and other communications equipment thereon (including, without limitation, the running of conduit wiring and/or cabling throughout the Building as necessary); provided, however, that Sponsor shall give prior notice to the Board for information purposes only of the type and location of any such equipment before installation. Such easement shall also include

the right of Sponsor to use, lease and license such equipment, and to retain any profits therefrom. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and Insurance Requirements. The word "equipment" as used in this Section shall be deemed to include fiber optic cable and other communications lines, wires, risers, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies, needed for the proper operation of the communications installations. Each easement and other right granted under this Section O must be exercised, and all such platforms, supports, structures, installations and equipment must be used in such a way so as to minimize, to the extent reasonably practicable, interference with the exercise of the other easements and other rights granted under this Section. As used herein, "Permitted Roof Platform Purposes" shall mean all businesses, operations and activities of Sponsor and its affiliates, including the business of renting out or otherwise providing satellite dishes and/or other communications equipment, services and/or space for satellite dishes and/or other communications equipment or services to third parties, and any operations or activities in connection with such business.

q. Miscellaneous

Sponsor and its designee(s) shall have the right, until the 10th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Residential Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

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P. CONTROL BY SPONSOR

Until the first annual meeting of the Unit Owners (the "First Annual Meeting"), the Board shall consist of three members whom shall be designated by Sponsor. Sponsor anticipates designating the following persons as the initial Board members (all of whom are experienced in real estate matters and familiar with the Property): Jay Stark, Yosi Manor, and Matthew Van Damm, all of whom are employed by an affiliate of Sponsor, and none of whom have any relationship with Sponsor's attorney other than in such capacity. Sponsor will amend the Plan prior to the First Closing in the event such three persons shall not constitute the initial Board members. At the First Annual Meeting, the incumbent three member Board designated by Sponsor will resign and a new five member Board will be elected and/or designated, as the case may be, as described below. The First Annual Meeting shall be held not later than 30 days following the earlier to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. As a result of the foregoing, there is no provision in the By-Laws that assures a majority of the Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principal within two years after the First Closing.

From and after the First Annual Meeting, the Board will consist of five members elected and/or designated by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below).

At meetings of the Unit Owners, Sponsor will, at all times, have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit, regardless of whether Sponsor has also designated members of the Board as set forth herein. At elections of members of the Board held at and after the First Annual Meeting, but before the expiration of the "Sponsor Control Period" (defined below), the composition of the Board shall be as follows: (i) Sponsor and/or it designees shall have the right to designate three members of the Board, which designees may be related to or affiliate with Sponsor, Sponsor's designees or other Unsold Residential Unit Owner(s); and (ii) Sponsor and/or its designees and all other Residential Unit Owners shall have the right to elect the two remaining members of the Board. The Sponsor Control Period is the period ending upon the later to occur of: (a) the fifth anniversary of the First Closing; or (b) the closing of title to Units representing more than 90%, both in number and in aggregate Common Interests, of all Residential Units. As Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units (i.e., 9 Residential Units) necessary to declare the Plan effective, and as such, the Sponsor Control Period may never conclude and owner-occupants may never gain effective control and management of the Condominium.

At elections of members to the Board held after the expiration of the Sponsor Control Period but while Sponsor and/or its designee still owns at least one Residential Unit, Sponsor and/or its designee shall have the right to designate one of the five members of the Board otherwise to be elected by the Residential Unit Owners, including Sponsor, who may be a person related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner; and the Unit Owners (including Sponsor) shall have the right to elect the remaining three

members of the Board to be elected by the Unit Owners, who shall be persons not related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner.

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

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

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

Moreover, during the Sponsor Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B – "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium unless any such borrowing is approved by the owners of Units representing at least 75% both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other reasonable alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the

Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

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

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Q. THE CONDOMINIUM BOARD

1. General

The affairs of the Condominium shall be governed by the Board. The Board shall initially consist of three members designated by Sponsor until the First Annual Meeting of Unit Owners, at which time the incumbent Board will resign and a new Board, consisting of five members, will be elected and/or designated by the Unit Owners and Sponsor, as the case may be. From and after the First Annual Meeting, the Board will consist of five members elected by the Unit Owners (including Sponsor), subject to Sponsor's right to designate members. See the Section immediately above entitled "Control By Sponsor" for more details.

The First Annual Meeting shall be held not later than 30 days following the earlier to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. (See the Section entitled "Control By Sponsor" above).

The term of office of each of the five members comprising the Board elected or designated at the First Annual Meeting shall be fixed at such meeting as follows: (a) two of such members will serve for a term of approximately three years; (b) two of such members will serve for a term of approximately two years; and (c) one of such members will serve for a term of approximately one year. Those members of the first 5 member Board who receive the highest number of votes will serve for the longest terms of office, but except as set forth in the By-Laws, any members designated by Sponsor or its designee as the owner of Unsold Residential Units shall serve for the shortest terms of office. At each annual meeting of Unit Owners subsequent to the first such meeting, the Unit Owners shall elect (or in the case of Sponsor designate) Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board (including any member designated by Sponsor or its designee as the owner of Unsold Residential Units) shall serve until a successor has been elected and qualified. Subject to the requirements described in the Section of the Plan entitled "Control by Sponsor", there shall be no limit on the number of terms of office, successive or otherwise, that a Board member may serve.

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

No person who is a convicted felon in any jurisdiction shall be permitted to serve on the Board at any time. Should a Board member be convicted of any felony while serving on the Board, then such Board member shall be deemed to have resigned from the Board as of the date of any such conviction; and his/her successor shall be designated or elected according to By-Law provisions governing the replacement of Board members who resign or who are otherwise removed from the Board.

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

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

Members of the Board shall serve without compensation. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance) at all times from and after the First Closing, and the premiums on such insurance or bonds shall constitute Common Expenses. The cost of the same has been provided for in the estimate of the Common Charges contained in Schedule B in Part I of the Plan above.

2. Powers and Duties of and Determinations by Board

The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the By-Laws, all determinations required to be made by the Board shall be by majority of the votes cast at any meeting at which a quorum is present, unless otherwise expressly provided in the By-Laws.

3. Meetings and Votes of Unit Owners

After the First Annual Meeting as described above, annual meetings of Unit Owners will be held within approximately four weeks of the anniversary of the First Annual Meeting on a date to be set by the Board. At each such meeting, the Unit Owners shall elect or designate, as the case may be, members to replace those members of the Board whose terms have expired. In addition, special meetings may be held from time to time pursuant to the By-Laws. At all meetings of Unit Owners, the presence in person or by proxy of more than 50% of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of votes cast at any such meeting at which a quorum is present or is not required shall be binding on all Unit Owners.

Each Unit Owner, upon obtaining title, will in accordance with Section 339-e of the Real Property Law, automatically have the right to vote at all meetings of the Unit Owners, based upon the Common Interest appurtenant to each of the Unit or Units owned by such Unit

Owner, and at all such meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Residential Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements appurtenant to his or her Unit or Units.

4. Officers

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

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

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

5. Liability of the Board and the Unit Owners

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

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

1. Sales and Leases of Units

Each Residential Unit Owner may sell his or her Residential Unit, or lease such Unit for terms of one year or more, provided, in each case, such Unit Owner first gives the Board notice of intention to sell or lease such Unit, accompanied by a fully executed copy of the contract of sale or lease, as the case may be. The Board shall then have the right to purchase or lease the Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically set forth in Article 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within 20 days after receipt of the notice, or waives such election in writing, the Unit Owner will have 60 days thereafter to consummate the transaction set forth in the contract of sale or lease with the prospective purchaser or lessee, as the case may be, as more particularly set forth in Section 8.1 of the By-Laws. In the event that such sale or lease is not consummated, or if such contract or lease is renegotiated or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Residential Unit Owner, the Residential Unit Owner will be required again to offer the same first to the Board. The Board may not exercise its option to purchase any Residential Unit or lease any Residential Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners.

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

The Board shall have the authority to impose, in its discretion, from time to time, move-in and/or transfer fees, and other fees and charges (which as to any lease may be a one-time payment or a continuing assessment in the discretion of the Board), in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor or any designee of Sponsor.

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

Further, in the event that title to a Residential Unit is taken by a corporation, partnership, limited liability company or other entity, the name of a principal of said entity shall be identified to Sponsor.

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

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

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

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

2. Use of Residential Units and Storage Bins

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign

governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Residential Units may only be leased in accordance with the By Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Residential Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Residential Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s).

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

The Storage Bins may only be used for storage purposes, and in no event may be used as a dwelling space or for the storage of toxic or flammable items or Combustibles (as such term is defined in the New York City Building Code). No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the licensee to remove. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use without charge any Unlicensed Storage Bin for any lawful purpose or to change the permitted use of any Unlicensed Storage Bin, subject, however, to the provisions of Article 8 of the Declaration, which provide, among other things, that no use shall be allowed in the Condominium which interferes with the peaceful possession and proper use of the Condominium by its occupants. Each licensee shall be liable for all damage arising out of such licensee's use or misuse of its Storage Bin. Neither the Sponsor, nor its respective agents or employees shall be liable for any theft or damage to any property stored in the Storage Bin. Each licensee shall indemnify and hold Sponsor and its respective directors, officers, partners, parent and subsidiary and affiliated companies, agents and employees, harmless from and against any and all liabilities, claims, causes of action, damages, lawsuits, penalties, judgments, and liens, together with any related costs and expenses, including but not limited to reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of a licensee or a licensee's family, servants, employees, agents, guests and invitees in connection with the purchase of a Storage Bin License. Holders of Storage Bin Licenses, excluding Sponsor with respect to unsold Storage Bin Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the First Closing. Further, the license fee is subject to change from time to time as the Board deems necessary in its discretion.

3. Issuance and Assignment of Storage Bin Licenses

Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue licenses for Storage Bins and to retain the proceeds thereof. To help protect the security of the Building, the holder of a Storage Bin License (other than Sponsor) must at all times be a Residential Unit Owner; provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If at any time the licensee of a Storage Bin sells its Unit, it shall simultaneously assign its license of the Storage Bin to another Residential Unit Owner (or the Purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. If the Board terminates a Storage Bin License (pursuant to the above) or a Residential Unit Owner surrenders a Storage Bin License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage Bin License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion

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

4. General Provisions with Respect to Use

No portion of a Residential Unit, other than the entire Unit, may be leased. No nuisance or offensive or unlawful use shall be allowed in the Condominium or any portion thereof. Legal Requirements relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever shall, pursuant to the Declaration and/or By-Laws or otherwise, have the obligation to maintain or repair such portion of the Property.

The Rules and Regulations concerning the use of the Units may be amended from time to time by the Board, provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective. Further provisions with respect to the use of the Units are set forth in the By-Laws and the Rules and Regulations. However, no amendment of the Rules and Regulations will apply to Sponsor or the Unsold Residential Units, unless agreed to by all the owners of same who are affected by such amendment.

Each Residential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of 11 years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent.

All Unit Owners are required to maintain the smoke/carbon monoxide detector located within his or her Unit so that same is, at all times, in working order.

5. Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit, in accordance with the provisions of Article 7 of the By-Laws, which requires that the Board be notified in writing of the making of such mortgage and receive a conformed copy of the note and mortgage and that the Unit Owner first satisfy all unpaid liens against the Unit, other than Permitted Mortgages.

6. Common Charges: Determination and Assessment

At least once per year, the Board will prepare or cause to be prepared a budget setting forth its projections of the Common Expenses for the next fiscal year and will allocate and assess the Common Expenses among the Units. The Common Charges payable by each Unit Owner will be in proportion to the Unit's percentage Common Interest compared to the total of all Units.

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

The Board will furnish copies of the budgets to all Unit Owners and advise each Unit Owner of the amount of Common Charges payable. Unless otherwise determined by the Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month.

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

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

On a resale of any Unit, the purchaser will be liable for the payment of any unpaid Common Charges against such Unit; except that, to the extent then permitted by law, a Permitted Mortgagee acquiring a Unit at a foreclosure sale will not be liable for a lien for the payment of Common Charges assessed against such Unit for the period following the recording of the Permitted Mortgagee and prior to such Unit's acquisition by the Permitted Mortgagee. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, or otherwise, if the net proceeds of

the foreclosure sale are insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the original Unit Owner can be sued for the unpaid balance. The Board will also have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, except to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Pursuant to Section 339-aa of the Real Property Law, any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six year period), whichever shall occur sooner. Such liens may be foreclosed by a suit brought in the name of the Board (acting on behalf of all Unit Owners) in the same manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Board may assess Unit Owners a late charge of $.04 for each dollar of Common Charges which remains unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month (or such lesser rate as may be the maximum permitted by law) on such unpaid amounts, plus any "late charges" theretofore collected, and plus all expenses of collection. Sponsor obligates itself to cause any members of the Board related to or affiliated with Sponsor to vote in favor of filing a lien against any Unsold Residential Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due.

8. Borrowing by Board

The Board may, at any time, borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as otherwise provided in the By-Laws, the consent of at least 66-2/3% in common interest of all Unit Owners or Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Limited Common Elements, respectively, if such borrowings are in excess of $100,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year or $250,000 (subject to increase by the CPI Increase Factor) in the aggregate (including borrowings from prior periods) at any one time; and (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

In addition to the debt described above, the Board, without approval of the Unit Owners may, at any time, incur, or refinance, debt from time to time secured by a lien on any Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements. If any sum borrowed by the Board is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit, and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth above and all other dollar amounts referenced elsewhere in the By-Laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor (as described in the By-Laws).

9. Repairs to and Maintenance of Units and Common Elements

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

Each Unit Owner shall promptly comply with all Legal Requirements applicable to his or her Unit. No Unit Owner shall use or permit the use of Hazardous Materials (as defined in the By-Laws) on, about, under, or in his or her Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property.

The Building does not feature a window washing rig. The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of two times per calendar year. The Board may from time to time

enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the building's windows.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, or any replacement of glass windows in any Unit because of breakage or otherwise, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Board shall be paid by such Unit Owner.

In order to promote a consistent appearance of the Building from the outside, unless waived by the Board, each Unit Owner will be required to install and maintain window treatments having a neutral colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board. Neither the interior nor the exterior glass surfaces of any windows located in any Unit may be altered, colored or painted.

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

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

10. Alterations and Improvements of Units

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

The Board, at its option, may require a Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which

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

The foregoing restrictions affecting Units shall not apply to Sponsor or its designee in respect of the Unsold Residential Units. There are no restrictions on the ability of Sponsor or its designee to alter or improve any Unsold Residential Unit (including, without limitation, dividing, subdividing and combining one or more Unsold Residential Units or portions of same).

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

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

11. Alterations and Improvements of Common Elements

Generally, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise provided in the By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $250,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or

safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges.

Any additions, alterations, or improvements costing $250,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

Notwithstanding the foregoing, elevator landings which serve fewer than three Residential Units may be decorated and/or furnished by the adjoining Residential Unit Owners as they desire, at their expense, provided that each such Residential Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may be granted or withheld in the Board's sole discretion. After an elevator landing is decorated and/or furnished by the Residential Unit Owners serviced by the same, the Owners of such Residential Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same. In addition, as set forth in the By-Laws and to the extent permitted by law, the Residential Unit Owner or Residential Unit Owners serviced or benefited by any Common Elements adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Residential Unit or Residential Units located at the end of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Residential Unit or to any other portion of the Common Elements shall, with the consent of the Board (which consent may be withheld in the Board's sole discretion, but shall not be required if the Residential Unit Owner or Owners shall be Sponsor or its designee), have the right to use such Common Elements exclusively (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such an event, however, such Residential Unit Owners shall, at their sole expense, (i) operate, maintain and repair such Common Element for so long as such Owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such Owners cease to exercise such exclusive right of use.

In addition, Sponsor (or its designee or other owner of Unsold Residential Units) shall have such rights as are described in the Declaration, to erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Residential Unit or the operation of any business of Sponsor, a tenant, or occupant managing agent include, but not limited to, signs on the facade of the Building. Sponsor (or its designees) and its successors and assigns, or the Board shall also have the right to install plaques and signs and tenant and resident directories in and about the residential lobbies of the Building to identify the owners or occupants of the Units, and Sponsor (or its designee) shall have the right to install flap banners on portions of the Building exterior in connection with the marketing and sale of Units in and on any awnings, canopies or other protrusions from the façade of the Building.

12. Rights of Access

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

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

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

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

14. Repair or Reconstruction after Fire or Other Casualty

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

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

If only the Residential Units and/or Residential Limited Common Elements are damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Units, then any deficit or surplus in insurance proceeds shall

be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests.

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Board exceed $1,000,000, the proceeds shall be payable to a New York City bank or trust company designated by the Board as insurance trustee pursuant to the provisions of Sections 6.4 and 12.7 of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law. Sponsor's construction lender shall have the right to be the initial insurance trustee and shall have the right to continue to serve as such for so long as the Construction Loan (as hereinafter defined) is outstanding.

Notwithstanding any of the foregoing, if three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of all Unit Owners do not duly resolve within 60 days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

15. Insurance

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

Furthermore, under Section 6.4 of the By-Laws, subject to the provisions of the preceding paragraph, the Board is required to obtain and maintain, to the extent obtainable at commercially reasonable premiums and to the extent determined by the Board to be appropriate, the following insurance: (a) all risk property insurance with common coverage extensions insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, improvements, decorations, appliances within the Unit or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the 100% replacement cost value of the Building (exclusive of foundation and footings), without deduction for depreciation. Such insurance shall include coverage for plate glass to the extent if any

determined by the Board, as well as flood (including sewer backup) and earth movement coverage (which may contain a sublimit per occurrence and in the annual aggregate). Such insurance policy shall not include a co-insurance provision; (b) boiler and machinery insurance on a replacement cost basis with limits of not less than Building Limit for all mechanical and electrical equipment against physical damage and rent loss, covering the interests of the Condominium, the Board, Unit Owners and Permitted Mortgagees, as their respective interests may appear. Such insurance policy shall not include a co-insurance provision; (c) commercial general liability insurance against claims for personal injury, death or property damage as well as owned, hired and non-owned automobile liability occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, and including products and completed operations liability coverage all covering: (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the First Annual Meeting of Unit Owners, such liability insurance shall be at least $1,000,000 with respect to any occurrence and $2,000,000 annual aggregate for this location, with umbrella liability coverage of at least $100,000,000 and at no time and in no event during this time period shall such general liability insurance afford protection to the limit of less than such amounts; (d) workers' compensation and New York State disability benefits insurance as required by applicable law; provided, however, that if the Board does not have any direct employees, such insurance may be purchased if the Board so determines on an "if any" basis; (e) crime or fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the foregoing with limits of not less than $250,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building; (f) directors' and officers' liability coverage with limits of not less than $1,000,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building; (g) terrorism coverage; and (h) such other insurance as the Board may determine advisable or necessary from time to time.

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

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

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

Any insurance maintained by the Board may provide for such deductible amounts as the Board may determine, taking into account market conditions and/or any such conditions that may be required by the holder of a mortgage covering the Building. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions as are equitable (as determined by the insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (a) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings and other personal property located within their respective Units. . Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. All insurance policies required to be maintained by the Board will be on a "replacement cost" and will not cover losses to the extent that market value may exceed such replacement cost.

All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

16. Liability of Board of Managers and Unit Owners

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

To the extent permitted by applicable Legal Requirements, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each Board member against any liability or claim except those arising out of the bad faith, willful misconduct, illegal acts, fraud or gross negligence of such member. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance or bonds) at all times from and after the First Closing, and the premiums on such insurance or bonds shall constitute Common Expenses.

17. Amendments to Condominium Documents

Generally, subject to the provisions contained in the Declaration and By-Laws with respect to amendments, modifications, additions or deletions affecting, among other things, Sponsor (or its designee) or any Unsold Residential Units, and provided that required consents of the Residential Mortgagee Representatives, if any, are 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 at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; and provided, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

Notwithstanding the foregoing and subject to the provisions contained in the By-Laws or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Residential Units or Permitted Mortgagees, no amendment, modification, addition or deletion of the Declaration, the By-Laws or the Rules and Regulations shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative(s), if any.

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

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

18. Termination of Condominium

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

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

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

19. Units Acquired by the Board

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

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

20. Procedure to Review Real Estate Tax Assessments

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

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

21. Mechanics' Liens

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

22. Easements and Name of Condominium

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements, including easements in favor of Sponsor, other Unit Owners and the Board. These easements, which are more particularly set forth in Articles 12, 13 and 14 of the Declaration, include an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace Common Elements and, generally, an easement of support and of necessity in favor of all Units and the Common Elements. These easements shall be exercised in a manner that will not unreasonably interfere with the use of any of the Units or Storage Bins for their permitted purposes.

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

23. Signage

There will be signs, notices, advertisements and illuminations (collectively "Signage") on various exterior portions of the Building, on or at windows and in interior public spaces of the Building, which may be affixed by Sponsor, and/or the Board, all as and to the extent provided in the Declaration and/or By-Laws. Sponsor makes no representation and shall have no liability whatsoever with respect thereto.

24. Sponsor's Right to Lease Unsold Residential Units

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

As of the filing of the Plan, Sponsor has not obtained a Construction Loan. In the event a Construction Loan is obtained for the Property, its terms will provide that, at or prior to the First Closing, any such Construction Lender (or other lender if applicable) will: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold

Residential Units; (ii) subordinate the lien of its mortgage to the Declaration; and/or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

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S. REAL ESTATE TAXES

Based upon the real estate tax projection opinion prepared by the office of Aaron Valuation Inc. dated January 21, 2014, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the First Year of Condominium Operation, assuming that the property is reassessed as a fully completed structure, will total approximately $936,570, which is comprised of six months of real estate taxes based upon an estimated 2015/2016 assessment for the Residential Units of $6,949,910 with a projected tax rate of 13.409%, plus six months of real estate taxes based upon an estimated 2016/2017 assessment for the Residential Units of $6,949,910 with a projected tax rate of 13.543%.

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

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

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

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

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

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

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

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

1. Deductibility of Real Estate Taxes and Mortgage Interest

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

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

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

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

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

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

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

2. Taxation of the Condominium

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

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of section 528(c) of the Code and, therefore, could elect to be exempt from Federal income taxes on amounts received as membership dues, fees, or assessments from owners of condominium housing units ("exempt function income"). In order for the Board to qualify to make such an election, Code section 528 and the Treasury Regulations promulgated thereunder require, among other things, that at least 85% of the total square footage of all of the Units within the Condominium, be used by individuals for residential purposes and that the Board meet certain gross income and expenditure tests.

It is currently anticipated that more than eighty-five percent (85%) of the total square footage of all of the Units in the Condominium will be used by individuals for residential purposes. If such residential use requirement is in fact satisfied, and provided the other requirements of Code section 528 are satisfied, the Board will be eligible to make this election. For any taxable year for which the Board is eligible to and does so elect to be treated as a homeowners association under Code section 528, the Board will be subject to a U.S. federal income tax equal to thirty percent (30%) of its taxable income, which is defined as its non-

exempt function income less allowable deductions (computed with certain modifications) directly connected with the production of such income, and any applicable New York State and New York City income taxes.

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

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

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

U. OPINIONS OF COUNSEL

1. TAX OPINION OF KRAMER LEVIN NAFTALIS & FRANKEL LLP

KRAMER LEVIN NAFTALIS & FRANKEL LLP

PAMELA M. CAPPS
PHONE 212-715-9275
FAX 212-715-9520
PCAPPS@KRAMERLEVIN.COM

June 27, 2014

261 Owner, LLC
c/o The Naftali Group
1700 Broadway, 16th Floor
New York, New York 10019

Re: Condominium Offering Plan for
261 West 25th Street Condominium (the "Condominium")

To Whom it May Concern:

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

In connection with rendering this opinion, we have reviewed the Plan (including the exhibits thereto), relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other material as we deemed relevant. The opinions expressed herein are based upon the assumptions that (1) the Plan is accepted for filing by the New York State Department of Law and is consummated in accordance with its terms, (2) condominium ownership of Residential Units located in the premises known as 261 West 25th Street Condominium is established under applicable law, and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

The Plan provides for the establishment of condominium ownership of the land and building, and appurtenances thereto, comprising the Condominium, situated on the north side of West 25th Street between Seventh Avenue and Eighth Avenue, New York, New York. The Condominium will be comprised of 49 Residential Units, Storage Bin Licenses and Common Elements. This opinion addresses certain Federal, New York State and New York City income tax consequences that would result from the ownership of a Residential Unit by an individual who is a resident of New York City for tax purposes. It does not address, among other things, ownership of Residential Units by taxpayers who are not individual residents of New York City for tax purposes, including corporations and other entities, and foreign individuals or foreign entities; the ownership by any individual or entity of a Storage Bin License; the tax

consequences which may result with respect to any Residential Units held in connection with a trade or business, for investment purposes or for the production of income; or the estate tax consequences of ownership of any Residential Unit or Storage Bin License.

Deductibility of Mortgage Interest and State and Local Real Property Taxes

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

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

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

Residential Unit who itemizes deductions and who uses such Residential Unit as a qualified residence will be entitled, under current Federal income tax law, to deduct from his or her gross income, subject to the Federal overall limitation on itemized deductions, interest paid by him or her on (i) acquisition indebtedness incurred with respect to such Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Residential Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Further, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances). The rules and limitations regarding the deductibility of home mortgage interest are complex, and thus, Purchasers are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of interest with respect to their Residential Units for alternative minimum tax purposes (which at present is subject to rules different from those described above for regular tax purposes). Residential Unit Owners should consult their tax advisers regarding (i) the applicability of the Federal overall limitation on itemized deductions to the deductibility of interest paid on mortgage indebtedness and (ii) the effect of the alternative minimum tax.

Each owner of a Residential Unit who uses such Residential Unit as a qualified residence will generally be entitled to the same deduction for mortgage interest and real property taxes paid or accrued with respect to such Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real property tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels. Furthermore, Purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum tax to the deduction for interest and real property taxes with respect to their Residential Units.

Common Charges

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

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of section 528(c) of the Code and, therefore, could elect to be exempt from Federal income taxes on amounts received as membership dues, fees, or assessments from owners of condominium housing units ("exempt function income"). In order for the Board to qualify to make such an election, Code section 528 and the Treasury Regulations promulgated thereunder require, among other things, that at least eighty-five percent (85%) of the total square footage of all of the Units within the Condominium, be used by individuals for residential purposes and that the Board meet certain gross income and expenditure tests.

It is currently anticipated that more than eighty-five percent (85%) of the total square footage of all of the Units in the Condominium will be used by individuals for residential purposes. If such residential use requirement is in fact satisfied, and provided the other requirements of Code section 528 are satisfied, the Board will be eligible to make this election. For any taxable year for which the Board is eligible to and does so elect to be treated as a homeowners association under Code section 528, the Board will be subject to a U.S. federal income tax equal to thirty percent (30%) of its taxable income, which is defined as its non-exempt function income less allowable deductions (computed with certain modifications) directly connected with the production of such income, and any applicable New York State and New York City income taxes.

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

We express no opinion concerning: (a) any Federal, New York State or New York City tax consequences not explicitly discussed in this opinion, (b) any other aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or (c) the tax status and tax consequences of the Plan, including the ownership of a Residential Unit, under the laws of any state other than New York, local jurisdiction other than New York City, or foreign jurisdiction. Except as explicitly provided, this opinion does not address: (i) the tax consequences of the ownership of Residential Units by taxpayers who are not individual residents of New York City for tax purposes, including corporations and other entities, and foreign individuals and foreign entities; (ii) the ownership by any individual or entity of a Storage Bin License; (iii) the tax consequences which may result with respect to any Residential Units held in connection with a trade or business, for investment purposes or for the production

of income; or (iv) the estate tax consequences of ownership of any Residential Unit or Storage Bin License. This opinion also does not discuss the tax consequences which may arise if Residential Units or Common Elements are acquired by the Board or the issue of whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Residential Unit. We advise, therefore, that each person contemplating the purchase of a Residential Unit consult his or her own tax adviser concerning all such tax matters, as well as with respect to the matters discussed in this opinion.

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

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

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

Very truly yours,

Kramer Levin Naftalis & Frankel LLP

2. REAL ESTATE TAX OPINION

AARON
VALUATION

358 Seventh Avenue - PMB 124
Brooklyn, NY 11215

(347) 674-3005 tel
(323) 693-8636 fax

January 21, 2014

261 Owner LLC
c/o The Naftali Group
1700 Broadway, 16th Floor
New York, NY 10019

Re: Real Estate Tax Projection
261-267 West 25th Street
Borough of Manhattan, Block 775; Lots 5, 6, 8 and air rights of 9
City and State of New York

You have requested a forecast of the real estate tax liability for the above-referenced premises for the first year of condominium operation commencing in January 2016.

We have been provided the following facts regarding this project:

- The proposed 12-story residential property will have a gross building area of 72,026 above grade upon completion. The property is proposed construction for multi-family condominium use.
- Construction began October 2, 2013.
- Upon completion of construction the property will have 49 residential units. Livable/sellable residential area will measure 60,434 square feet upon completion excluding terraces.
- Additional amenities will include a shared outdoor space, a fitness center, a lounge and screening room, storage, laundry and a bicycle room.
- The first year of condominium operation will commence on January 1, 2016.

Methodology

There are three recognized appraisal methods which are employed by the Real Property Assessment Department to determine the full market value of income producing real property. These methods are the original cost method, capitalization of income approach, and the sales price comparison method.

The original cost method is based on the theory that the value of a given property is reflected by its cost of construction plus the acquisition cost of the underlying land. This method of valuation is considered a highly significant indicator of value with respect to new buildings. Relevant data used in the cost method include material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees, construction period taxes ("soft") costs.

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. However, the addition of sales price of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation. The standard for assessment for residential cooperative and condominium structures is set forth in Real Property Tax Law 581. In the case of condominiums, the method of assessment of the individual units is set forth in Real Property Law Section 339-Y. In essence, the standard of assessment prescribed by statute for cooperative and condominium structures is that these buildings are to be assessed in the same manner as are rental apartment buildings. Further, the statutes provide that the sale price of a cooperative apartment building as an entity and the sale of a condominium unit are not the measure of value for assessment purposes.

Since the tax year 1982/83, Real Property Tax Law Section 1805(3) provides for the creation of a transitional assessment system within the City of New York. Under the transitional assessment system, any increase in the assessed value of a property is phased in over a five-year period in equal installments. However, the statute requires the Finance Department to include all physical (new construction, renovation, rehabilitation or addition of square footage to existing structures) changes directly into the taxable assessed valuation without the five-year phase-in. The "actual assessment" is the target value which will be reached at the end of the five-year period, assuming the assessment is not increased in the interim. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transitional assessed valuation.

In arriving at the assessed valuation for each unit in the Condominium, the building is first assessed as an entity. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the Condominium Declaration has been recorded and the floor plans are filed with the Office of the City Registrar. The Department of Finance currently apportions assessed value based upon each unit's percentage of overall common interest.

It should be noted that the subject property's real estate tax burden for the 2015/2016 tax year will be based on its status as of January 5, 2015. Although the property may be assessed as a partially constructed property in the 2015/2016 tax year, and thus the property taxes may actually be lower for that tax year, for purposes of this opinion the taxes are computed at full assessment as a fully completed property for the first year of condominium operation.

Current Assessments

New York City's fiscal tax year runs from July 1 to June 30. Assessments in any given year are determined as of the "taxable status date," January 5, proceeding the fiscal tax year. The assessed values for Block 775; Lots 5, 6, 8 and air rights of 9 for the upcoming tax year are set forth as follows:

CURRENT TENTATIVE ASSESSMENTS (2014/2015)

Lot	Actual Land	Actual Total	Transitional Land	Transitional Total	Taxable Total
5	$259,700	$350,118			$350,118
6	$386,550	$1,355,850	$386,550	$1,330,200	$1,330,200
8	$32,801	$159,624			$159,624

Lots 5 and 8 have only an "actual" assessment. The upcoming year's taxable assessed value for Lot 6, in Tax Class 2, is the lower of the "actual" or "transitional" total. In the current year, the taxable assessed value of $1,330,200 represents the transitional assessment.

This assessed value for the current tax year is based on the property's status as two walkup apartment buildings, assessed within Tax Class 2, and a mixed-use building, assessed within Tax Class 1; however, this does not represent the completion assessment for the subject property as proposed, as these structures will be demolished.

Tax Rates

The property is presently classified as a Tax Class 1 property and two Tax Class 2 properties. Upon completion of the proposed construction and reassessment, the residential units will be assessed within Tax Class 2 (multi-family residential).

The Class 2 tax rate for the 2013/2014 tax year is $13.145 per $100 of assessed value. Rates for subsequent tax years have not yet been announced. The chart below illustrates historical Class 2 tax rates.

HISTORICAL TAX RATES, NYC

Year	Class 2	Rate of Change
2004/2005	12.216%	
2005/2006	12.396%	1.47%
2006/2007	12.737%	2.75%
2007/2008	11.928%	-6.35%
2008/2009 (average)	12.596%	5.60%
2009/2010	13.241%	5.12%
2010/2011	13.353%	0.85%
2011/2012	13.433%	0.60%
2012/2013	13.181%	-1.88%
2013/2014	13.145%	-0.27%
Cumulative Change		7.60%
Average Annual Change		0.88%
Compound Annual Change		0.92%

Source: New York City Department of Finance

Between 2004/2005 and 2008/2009, tax rates remained fairly stable. The 2008/2009 tax rates reflect a tax increase enacted to counter budget shortfalls but rates have stabilized since then. The Class 2 tax rate has had a compound annual increase of 0.92% over this period.

For the purpose of this tax forecast, tax rates are assumed to increase by 1% per annum on average for future tax years. Aaron Valuation Inc. makes no representations or warranties that the forecasted tax rates for the 2014/2015 or subsequent tax years will be adopted by the New York City Council.

Forecasted Future Taxes

This letter assumes that the property is reassessed as a fully completed structure for the 2015/2016 tax year.

A review of current valuations of comparable recently constructed buildings in the vicinity of the subject, justifies an overall assessed valuation as follows for each component upon completion of construction and reassessment:

Forecasted Assessed Value Upon Completion/Reassessment:	$6,949,910

While there is a formula which has been utilized by the Real Property Assessment department in reassessing such properties in the past, it has not been employed consistently, and it is therefore not possible to estimate or determine the post-completion assessed valuation of this property with any degree of certainty. All prospective purchasers are advised that although the estimate of assessed valuation upon completion of construction is a good-faith estimate, such assessed valuation, when actually made, may be less or greater than as estimated on the following pages.

ESTIMATED FULL TAX LIABILITY FIRST YEAR CONDOMINIUM OPERATION

JANUARY 2016 TO DECEMBER 2016

		Residential
Forecasted Full Assessment		$6,949,910
Forecasted Tax Rate First Year Operation	x	13.476%
Forecasted Taxes First Year Operation		$936,570

The residential units' aggregate tax burden is forecasted to total $936,570 for the first year of condominium operation. This estimate excludes any exemptions or abatements for which the property may qualify.

Prospective purchasers are advised that this valuation estimate assumes that the taxing authority is assessing a fully constructed, occupied building and is not intended to reflect any interim or partial completion assessment. Because the subject property may be only partially completed as of the taxable status day, January 5, 2015, the 2015/2016 assessed valuation may be lower than estimated herein.

ESTIMATED FULL TAXES PER UNIT

First Year Condominium Operation	Residential Units
January 1, 2016 to December 31, 2016	$936,570 x Common Interest Percentage

This letter was prepared at the Sponsor's request. Certain figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. We have not passed upon the accuracy of any figures or estimates contained within the offering plan, and offer no warranties of the amount of any liability for any period.

The opinions expressed above are based on my interpretation of the Real Property Tax Law, Administrative Code of the City of New York, and the applicable rules and regulations of the Department of Finance in effect as of the date hereof. While I believe my opinions are well founded, they are not intended, and should not be construed as representations or warranties. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction.

The foregoing analysis is based upon experience with the Real Property Assessment Department and the Tax Commission of the City of New York, and their assessment policies regarding newly renovated properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. This would necessitate commencement of real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

Sincerely,

Amanda Aaron

Amanda Aaron, MAI
NY Certified Real Estate Appraiser #46-49784

CONTINGENT AND LIMITING CONDITIONS

- The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the appraiser render any opinion as to the title which is assumed to be good and marketable.
- The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question unless arrangements have been previously made therefore.
- Any distribution of the valuation in the report between land and improvements applies only under the existing program of use. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
- The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures which would render them more or less valuable. The appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such facts.
- Information, estimates and opinions furnished to the appraisers and contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser can be assumed by the appraiser.
- Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the appraiser is affiliated.
- Neither all nor any part of the content of the report or copy thereof shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgagee insurers, consultants, professional appraisal organizations, any state or federally approved financial institution without the previous written consent of the appraiser.
- It is assumed that there will be full compliance with all applicable federal, state and local environmental regulations and laws unless nonconformity has been stated, defined and considered in this analysis.
- It is assumed that all applicable zoning and use regulations and restrictions will be complied with unless a non-conformity has been stated, defined and considered in this analysis.
- It is assumed that the existing or proposed improvements will conform to the Certificate of Occupancy as issued by the appropriate municipal agency.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field if desired.

- That all mortgages, liens, encumbrances, leases and servitudes have been disregarded unless so specified within this appraisal report. The property is appraised as though under responsible ownership and competent management.
- That no survey of the property has been made by the appraisers, and no responsibility is assumed in connection with such matters. Sketches used in this appraisal report are included only to assist the reader in visualizing the property.
- That this appraisal report is meant to be presented in its entirety. If this report is presented in any form other than its complete form, it becomes invalid.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost to cure the property's potential physical characteristics, the appraisers cannot comment on compliance to ADA. A brief summary of physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

CERTIFICATION

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I meet the Competency provision of USPAP.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Jordan Hermiller provided assistance identifying comparable properties for the forecast of the subject's tax burden. No one else provided significant real property appraisal assistance to the person signing this certification.
- I have provided no services involving the subject property within the three years prior to this assignment.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education requirements of the Appraisal Institute.

Amanda Aaron 1/21/14

Amanda Aaron, MAI

NY State Certified General Appraiser #46-49784

QUALIFICATIONS: AMANDA AARON, MAI

Principal, Aaron Valuation Inc.

Education

Columbia University, (New York, New York), B.A.
New York University Graduate School of Arts and Science, M.A.
Appraisal Institute – MAI designation and continuing education requirements

Experience

Full range of property appraisal experience since 1998 includes valuation of apartment buildings, condominiums and cooperative buildings, retail properties, industrial buildings, mixed-use properties, affordable housing, office buildings, hotels, senior housing facilities, proposed construction and vacant land.

Competencies include market analysis and feasibility determination, property tax analysis, cash equivalency valuation of favorable financing terms and LIHTC valuation for affordable housing developments, ground-lease valuation and fractional interest valuation.

Experience includes supervision of both experienced and junior appraisers, and peer appraisal review for a range of properties. Clients of Aaron Valuation include lending institutions, attorneys, CPAs, property owners and developers.

Professional Affiliations

- MAI Designated Member of the Appraisal Institute
- Metro New York Chapter of the Appraisal Institute - 2013 Board Member and Regional Alternate
- Association of Real Estate Women (AREW)
- New York State Certified General Real Estate Appraiser #46-49784

3. OPINION REGARDING ALLOCATION OF COMMON INTERESTS

KRAMER LEVIN NAFTALIS & FRANKEL LLP

July 2, 2014

261 Owner LLC
c/o The Naftali Group
1700 Broadway, 16th Floor
New York, New York 10019

Re: 261 West 25th Street Condominium (the "Condominium")

To Whom It May Concern:

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

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

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

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Kramer Levin Naftalis & Frankel LLP, Selling Agent, the Managing Agent, Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

Very truly yours,

Kramer Levin Naftalis & Frankel LLP

Kramer Levin Naftalis & Frankel LLP

V. WORKING CAPITAL FUND

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

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

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

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

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

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

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

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

(7) premiums for transferable insurance policies; and

(8) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. No such adjustments or apportionments are expected to be substantial. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

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

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

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

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W. RESERVE FUND

Except as set forth in Schedule B above, no reserve fund is being established by Sponsor for the Condominium Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs in respect of the Building because upon completion of the work being performed by or on behalf of Sponsor as described herein, the Building will constitute new construction. In addition, except as set forth in Schedule B above, no reserve fund has been established by Sponsor for the Condominium in its budget for the projected First Year of Operation of the Condominium for use by the Board, which in general has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems).

No representation is made that the reserve line item contained in the Schedule B, will be, or is intended to be, adequate or sufficient to cover periodic maintenance, repair and replacement expenses of the Common Elements for the First Year of Condominium Operation or for any subsequent year. If additional funds are required in excess of the reserve line item contained in the Schedule B, it may be necessary to increase the Common Charges or to impose special assessments on Unit Owners. In such event, each Unit Owner would be individually liable for the amount of such special assessment or increase in Common Charges payable by the Board to the extent of such Resident Unit Owner's proportionate Common Interest among all Resident Unit Owners.

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X. MANAGEMENT AGREEMENT AND CONTRACTS

1. Management Agreement

It is presently contemplated that at or prior to the First Closing, the Board will enter into a management agreement with TNG Management, LLC (the "Managing Agent"), having its principal office at 65 Maspeth Avenue, Suite 1A, Brooklyn, New York, 11211 to act as Managing Agent with respect to the Condominium. Managing Agent is an affiliate of Sponsor.

It is contemplated that the term of the Management Agreement will commence on the date of the First Closing, and will continue in force for 12 months from such date, and thereafter, if not sooner terminated, will be deemed automatically renewed for intervals of 60 days until canceled by either party on 60 days' prior notice. The Managing Agent will receive an annual fee of $42,000 for such first year, payable in equal monthly installments, subject to annual increases based on a consumer price index defined in the Management Agreement, such increase not to be less than 2% nor more than 5% annually. If either the Managing Agent or the Board shall fail to perform or abide by any of its material obligations under the Management Agreement, the other party shall have the right to terminate the Management Agreement at the end of any calendar month on not less than thirty days' prior written notice, unless such default is cured within said 30 day period.

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

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

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

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

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

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

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

(g) Schedule the moving in and out of Unit Owners and lessees and, as far as possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and of inconvenience to other Unit Owners.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Board will indemnify the Managing Agent against liability for all claims for all acts properly performed by the Managing Agent pursuant to the management agreement or at the instructions of the Board.

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

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Y. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 261 Owner LLC, a Delaware limited liability company authorized to do business in the State of New York, with an office at c/o The Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10019.

Miki Naftali is the principal of Sponsor.

Mr. Naftali is a real estate developer, owner, operator and investor, involved in high-end development and key investment opportunities in North America, Asia and Europe. Prior to establishing the Naftali Group LLC, Mr. Naftali launched and guided Elad Properties' New York operation. Mr. Naftali has designated the New York Secretary of State to receive service of process with respect to this Offering Plan.

Mr. Naftali has been a sponsor or principal for the following cooperative or condominium offerings in the State of New York in the preceding five years:

Address of Property	AG File No.	AG Filing Date
182 West 82nd Street	CD13-0075	July 25, 2013
250 West Street	CD11-0015	July 5, 2011
234 East 23rd Street	CD13-0313	June 10, 2014

Sponsor and its principal are current in their obligations with respect to the offerings, if any, stated above.

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

2. Attorneys for Sponsor

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

3. Selling Agent

The Selling Agent is Stribling Marketing Associates LLC, having its main office at 924 Madison Avenue, New York, New York 10021. Selling Agent is not affiliated with Sponsor or with Sponsor's principal.

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

4. Managing Agent

It is contemplated that at or prior to the First Closing, the Board will enter into a management agreement on behalf of the Unit Owners with TNG Management LLC (the "Managing Agent"), having its principal office at 65 Maspeth Avenue, Suite 1A, Brooklyn, New York, 11211 to act as Managing Agent with respect to the Condominium. Managing Agent is an affiliate of Sponsor.

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

5. Budget Expert

Sandberg Management Corp., having an address at 345 7th Avenue, New York, New York 10001, reviewed all amounts of income and expenses in Schedule B, "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor. Budget Expert is not affiliated with Sponsor or with Sponsor's principal, and has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except: (i) for its fees for services rendered in connection with the same; or (ii) to the extent it may in the future be designated as Managing Agent.

6. Real Estate Tax Consultant

Aaron Valuation Inc., having an address at 358 Seventh Avenue, Brooklyn, New York 11215, has been engaged as the real estate tax consultant in connection with the Plan, and has prepared forecasts of the assessed valuation of the Units following Sponsor's construction of the Building and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A and other disclosures in the Plan regarding projected real estate taxes. The real estate tax consultant has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

7. Construction Professionals

Goldstein, Hill & West Architects, LLP, 11 Broadway, Suite 1700, New York, NY 10004, is the architect engaged by Sponsor to construct the Project.

Buro Happold Consulting Engineers P.C., 100 Broadway, 23rd Floor, New York, New York 10005, is the mechanical and electrical engineer for the Project and prepared the plumbing, mechanical and electrical report for the Building included in the Description of Property and the estimates of utilities used in the preparation of Schedule B – "Projected Budget for First Year of Condominium Operation."

WSP Cantor Seinuk, having an office located at 228 East 45th Street, #3, New York, New York 10017, is the structural engineer for the Project.

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

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Z. REPORTS TO UNIT OWNERS

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

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

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

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

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

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AA. DOCUMENTS ON FILE

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

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

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BB. GENERAL

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

To the best of Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings filed with the Department of Law. No preliminary binding agreements have been entered into and no money has been collected from prospective Purchasers.

Sponsor and the Selling Agent each hereby represent that it will not discriminate against any person on the basis of race, creed, color, national origin, gender, sexual orientation, age, disability, marital status or other grounds prohibited by law.

Sponsor hereby represents that no contracts or agreements, written or oral, have been entered into, and no funds received, with respect to any of the Units offered in this Plan as of the date this Plan is first accepted for filing by the Department of Law.

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Unit Deed, form of Unit Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

No party other than any Purchaser shall have any right or benefit herein or herefrom, including, without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no party other than any Purchaser shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, to substantially revise the terms and conditions upon which the Units offered hereunder are to be sold, including, without limitation, changes affecting the rights, obligations and liabilities of Sponsor and/or prospective Purchasers under the Plan. However, no such change with respect to any such Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material change that adversely affects any Purchasers, Sponsor shall grant such Purchasers a right to rescind their respective Agreements by written notice to Sponsor given within 15 days after the date of presentation of such amendment. In

such event, Sponsor shall direct the Escrow Agent to return the Deposit of any Purchasers who duly rescind their Agreements.

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

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CC. RESERVATION OF AIR AND DEVELOPMENT RIGHTS

Sponsor has retained and expressly reserves all excess air or developmental rights (collectively, the "Air Rights") otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible. Further, as a result of such reservation by Sponsor, Sponsor may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale. In connection with Sponsor's reservation of Air Rights hereunder and under the Declaration, the Condominium Board, the Unit Owners and their respective mortgagees expressly waive any rights they may be deemed to have as a party in interest in connection with the Air Rights. As more particularly set forth in the Declaration, (a) the Condominium Board and each Unit Owner shall be required, upon the request of Sponsor or the purchaser of Air Rights from Sponsor, to execute and deliver any documents or applications reasonably required in connection with the use of such Air Rights; and (b) each Unit Owner shall grant to Sponsor a power of attorney to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor, or its successors or assigns, all or any portion of the Air Rights.

As of the filing date of the Plan, Sponsor anticipates that approximately 18,221 square feet of Air Rights will remain and be reserved to Sponsor. The Air Rights reserved by Sponsor will not be used to add additional floors to the top of the Building, and will only be used (1) for the sale or transfer for use in connection with properties other than the Building or (2) in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Right in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In the event such excess Air Rights are transferred to the owner(s) of adjoining properties, a Unit Owner's views and exposure to light may be affected.

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DD. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 4 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

Sponsor believes and hereby represents that the "Description of Property," set forth in Part II of the Plan (plus any information included in any amendment to the Plan), represents accurately what will be the condition of the Building upon substantial completion. The firm preparing the "Description of Property" has no financial interest in the Property, Sponsor, the Condominium, the Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered. Sponsor knows of no facts or information inconsistent with the report.

The Residential Units are being sold in the condition in which they exist at the time of transfer of title to such Unit (subject to Sponsor's obligation to deliver the Unit in the condition set forth in the Section of Part II of this Plan entitled "Description of Property and Building Condition" and subject to reasonable wear and tear), unless Sponsor and the Purchaser of such Unit otherwise agree in writing. Except as otherwise expressly provided in this Plan, Sponsor's obligation to make repairs in any Residential Unit shall cease upon the closing of title to such Unit. Sponsor will, however, maintain and operate the Building until the First Closing in substantially the same manner and condition as on the filing date of this Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

If a Unit borders or is located near a rooftop or other area, there may be equipment for building, or other obstructions, that may be visible from the windows of said Unit.

As more fully described in "The Property" in Section A above, and subject to the matters described therein, Sponsor anticipates that Sponsor's construction work at the Building will be sufficiently completed to allow the first closing of a Unit to occur on or about January 1, 2016. A new Certificate of Occupancy will be issued for the Building when Sponsor's construction work at the Building is complete. Sponsor will obtain a temporary Certificate of Occupancy permitting occupancy of specific Units prior to the closing of the sale of such Units. All notices of building code violations or other violations of law which have been received with respect to the Property will be cured prior to the First Closing.

SPONSOR:

261 Owner LLC

PART II

EXHIBIT 1

FORM OF AGREEMENT (INCLUDES ESCROW RIDER)

AGREEMENT

_____

_____

Purchaser(s)

with

261 OWNER LLC

Sponsor/Seller

_____

Unit Number ____

THE SEYMOUR CONDOMINIUM
261 West 25th Street
New York, New York 10001

AGREEMENT

UNIT NO. ___

THE SEYMOUR CONDOMINIUM
261 West 25th Street
New York, New York 10001
(to be executed in quintuplicate)

AGREEMENT (this "Agreement"), made as of the ___ day of _____ 20___, between 261 Owner LLC, a Delaware limited liability company, having an office at c/o The Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 (hereinafter, "Sponsor"), and

_____

_____

having an address at _____

_____ (hereinafter, "Purchaser").

W I T N E S S E T H:

1. Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for The Seymour Condominium, (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. The Unit. Sponsor hereby grants to Purchaser, and Purchaser hereby acquires from Sponsor, an option to purchase condominium Unit No. _____ (the "Unit") at the Condominium (as shall be designated in the Declaration)) (also being known and designated as Block 775, Lot ___ on the Tax Map of the City of New York) together with the undivided _____% interest in the Common Elements appurtenant to such Unit, upon and subject to the terms and conditions set forth herein. The land upon which the Condominium is located is as described on Schedule A annexed hereto.

3. Purchase Price.

3.1 The purchase price for the Unit (the "Purchase Price") is $_____ payable as follows:

(a) an initial payment of $_____ (the "Initial Deposit"), due upon the signing and submitting of this Agreement, receipt of which (subject to collection) is hereby acknowledged;

(b) an additional payment of $_____ (the "Additional Deposit"; the term "Deposit", as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), due upon the earlier to occur of: (i) _____ (the date which is six (6) months after the date of this Agreement); or (ii) thirty (30) days after Sponsor serves Purchaser with written notice of acceptance by the NYS Department of Law of an amendment to the Plan that declares the same effective, but in no event later than the

closing of title, subject to collection;* and if an amendment declaring the Plan to be effective has been accepted by the NYS Department of Law as of the date on which the Initial Deposit is due, then any Additional Deposit shall be due and payable at the same time as the Initial Deposit; and

(c) $_____ (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

3.2 All checks shall represent United States currency, be drawn on or issued by a New York bank which is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Kramer Levin Naftalis & Frankel LLP, as Escrow Agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank or cashier's check, made payable to the direct order of "261 Owner LLC" (or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, Kramer Levin Naftalis & Frankel LLP ("Escrow Agent") is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies set forth in the Plan and in this Agreement with respect to an Event of Default (which shall include suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default). At the Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor

4. Deposit.

4.1 Prior to or concurrent with execution hereof and payment by Purchaser of the Initial Deposit, Purchaser, Sponsor and Escrow Agent will enter into the "Escrow Rider" annexed to this Agreement. The Escrow Rider must be executed by the Sponsor, Purchaser, and Escrow Agent.

4.2 The provisions of paragraphs 3-6 of the Escrow Rider annexed hereto are incorporated herein by reference.

4.3 Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting any interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this Article or Article 8.

5. Closing Date and Place.

5.1 The closing of title shall be held at the offices of Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior notice. Sponsor may, from time to time, adjourn such date and hour upon reasonable prior notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the

* Omit if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic immunity).

date originally set herein for a closing for more than twelve months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. Delivery of Deed and Power of Attorney.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances and title conditions set forth on Schedule B annexed hereto and made a part hereof. Sponsor shall prepare the deed, which shall be substantially in the form set forth in Exhibit 3 in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board, prepared by Sponsor and substantially in the form set forth as Exhibit 2 in Part II of the Plan.

6.3 The executed deed and power of attorney shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board shall be returned to the Board (or as the Board shall direct).

6.4 Purchaser's payment of the Balance and acceptance of the deed to the Unit shall constitute Purchaser's recognition that Sponsor has fully satisfactorily performed those obligations stated in the Plan and/or this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

7. State of Title.

7.1 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule B annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Royal Abstract, with an address at 500 5th Avenue, Suite 1540, New York, New York 10110, (212) 376-0900 (or such other title or abstract company designated by Sponsor; the "Title Company"), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

7.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule B. However, if such defect existed at least 10 days prior to the

closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the closing, then, for purposes of Article 12 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the closing of title or the termination of this Agreement.

8. <u>Closing Adjustments</u>.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to the closing, accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

8.2 If the Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in Section 6.16 of the By-Laws and in Part I of the Plan.

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

8.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

8.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect to Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as aforesaid and as otherwise provided herein or in the Plan.

8.6 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

9. Closing Costs

In addition to those costs, adjustments and other amounts described in Article 8 of this Agreement, Purchaser shall be required to pay the other closing fees and costs which are Purchaser's responsibility as described in the Section of the Plan entitled "Closing Costs and Adjustments" and otherwise. All such closing fees and costs shall be paid by Purchaser at closing by Purchaser's unendorsed personal certified check or official bank check, in either event drawn upon a bank that is a member of the New York Clearinghouse Association.

10. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express

modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

11.3 Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

12. **Default by Purchaser**. (a) Any of the following shall constitute an "Event of Default" hereunder:

(i) [Purchaser's failure to pay the Additional Deposit on the date set forth in Article 3 hereof,][*] Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser in Article 8 or 9 hereof on the Closing Date designated by Sponsor pursuant to Article 5 hereof, or the dishonor of any check given by Purchaser to Sponsor; or

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser; or

(iv) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement and either (x) Sponsor has obtained an order of eviction against Purchaser from a court of competent jurisdiction or (y) Purchaser has vacated the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same within thirty (30) days.

(b) **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Purchaser shall have thirty (30) days from the giving of the notice of such default to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then Sponsor, in its sole discretion, may thereupon cancel this Agreement.

[*] Omit if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic or sovereign immunity).

If Sponsor elects to cancel, this Agreement shall be deemed cancelled, and Sponsor, as its sole remedy, shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit once the Plan has been consummated. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds of such sale.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

(d) NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

13. **Agreement Subject to Lien of Mortgage**. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

14. **Agreement Subject to Plan Being Effective**. The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not

consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. Sponsor's Inability to Convey the Unit. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. Upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first remedy above to acquire title subject to such inability.

16. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Construction and Renovation.

17.1 The Sponsor's construction and renovation work at the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications, as further detailed in Special Risk 19 in the Plan. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Plan in the Section entitled "Rights and Obligations of Sponsor."

17.2 The construction and renovation at the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Prerequisites to Closing of Title" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without any provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Report (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser's occupancy of the Unit).

17.4 Sponsor has projected that, based upon Sponsor's construction and renovation schedules as of the initial filing date of the Plan, Sponsor's construction and renovation work at the Building will be sufficiently completed to permit closings of Units to begin in or about January 1, 2016. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of Sponsor's construction and renovation work at the Building and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that construction or renovation may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of are hereby expressly waived by Purchaser.

18. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, at Sponsor's direction, Selling Agent as designated in the Plan shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with Selling Agent to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection, shall carefully inspect the Unit, and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule C to this Agreement) and deliver same to Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in "Rights and Obligations of Sponsor" in the Plan.

19. Damage to the Unit. If between the date of this Agreement and the closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from

insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

19.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, with notice thereof to Purchaser, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

20. No Representations. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefor, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and [to be][*] filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 20 shall survive the closing of title or the termination of this Agreement.

21. Prohibition Against Advertising. Purchaser hereby covenants and agrees that it shall not, prior to the closing of title hereunder, list the Unit for sale or resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives prior to the closing of title shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 12 hereof. In addition, for a period of 12 months after the Closing of a Residential Unit, the Purchaser of the Unit is prohibited from advertising, listing or selling such Unit. The provisions of this Article 21 shall survive the closing of title or the termination of this Agreement.

22. Broker. Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than Selling Agent and _____. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than

[*] Omit after Floor Plans have been filed in City Register's office.

Selling Agent and the aforementioned broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than Selling Agent on account of any acts or dealings of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. Agreement May Not Be Assigned.

23.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an event of default by Purchaser entitling Sponsor to all remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth in Article 12 hereof, and shall be voidable at the option of Sponsor.

23.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of less than fifty percent (50%) of the stock, or in the case of a partnership, limited liability company or other entity, less than fifty percent (50%) of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits. For the purposes of the Agreement, it is the intention of the parties that the individual(s) in control of Purchaser shall be deemed to be _____.

23.3 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to Kramer Levin Naftalis & Frankel LLP (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 21 above and in the Plan will remain in effect.

23.4 Notwithstanding the provisions of Section 23.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser's Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Section 23.3 above. For purposes of this Section 23.4 only: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

24. Binding Effect. The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Initial Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within thirty (30) days after the date hereof, this Agreement shall be deemed to have been rejected and the Initial Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's gender, sexual orientation, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

25. Notices.

25.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement; and to Sponsor at the address given at the beginning of this Agreement, Attn: Sponsor, with a copy sent simultaneously and in like manner to Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attention: Jonathan H. Canter, Esq. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected or, in the case of mailing, three (3) days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

25.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Kramer Levin Naftalis & Frankel LLP) as Sponsor's agents to give any notice to Purchaser

under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

26. **Joint Purchasers**. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

27. **Liability of Sponsor**. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

28. **Further Assurances**. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. **Severability**. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

30. **Strict Compliance**. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

31. **No Lien**. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated.

32. **Governing Law**. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

33. **Purchaser's Representations**.

33.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Sponsor, as provided herein) has any right or claim to all or any portion of the Deposit.

33.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company,

unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

33.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

33.4 Purchaser represents that the Unit shall be used for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation. Purchaser further represents that, if Purchaser leases the Unit, the Unit shall be leased to tenants only for periods of one year or longer, as provided in the By-Laws.

33.5 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

34. Agreement Not Contingent Upon Financing. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Article 3 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, any change in Purchaser's financial status or condition, nor any delay in or adjournment of the Closing, shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

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

hereunder. The provisions of this Article shall survive closing of title or the termination of this Agreement.

36. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

37. Waiver of Diplomatic or Sovereign Immunity.

37.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

37.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

37.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement, brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

37.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 37.

37.5 Nothing in this Article 37 shall affect the right of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

37.6 The provisions of this Article 37 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

37.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

38. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

39. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein," "hereof" or "hereunder," or similar terms used in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

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

41. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

42. No Oral Changes. This Agreement, or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

43. Counterparts. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature or other electronically transmitted signature (e.g., PDF) on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature or other electronically transmitted signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page or other electronically transmitted signature, although the failure to do so shall not invalidate the effectiveness of the facsimile signature or other electronically transmitted signature.

44. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

45. **Mold**. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor.

46. **Section 1031 Exchange**. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser (except as prohibited by paragraph 23 of this Agreement) may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Purchaser (or any other party to such tax deferred exchange) or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of a Unit.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

261 OWNER LLC

By:_____
Name:
Title:

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

Purchaser acknowledges receipt
of Offering Plan [and amendments]
on _____ __, 201__

Initials of Purchaser(s):

_____ _____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A

DESCRIPTION OF THE LAND

AS TO 267 West 25th STREET – (BLOCK 775 LOT 5)

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 95 feet easterly from the corner formed by the intersection of the northerly side of West 25th Street and the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 1/2 inches to a point:

THENCE easterly and parallel with the northerly side of West 25th Street a distance of 5 feet to a point;

THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 1/2 inches to a point on the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along the center line of the block between West 25th Street and West 26th Street a distance of 17 feet 4 3/4 inches to a point;

THENCE southerly along a line forming an interior angle on its westerly side of 91 degrees 03 minutes 10 seconds with the last mentioned line a distance of 98 feet 9 1/8 inches to a point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street a distance of 24 feet 2 1/2 inches to the point or place of BEGINNING.

Premises known as 267 West 25th Street, New York, New York 10001 and designated as Block 775, Lot 5 on the Land as shown on the Tax Map of the City of New York, County of New York.

Being the same premises conveyed to the grantors from RMN Realty Corp. by deed dated 3/4/96 and recorded 3/29/96 in Reel 2308 page 639.

AS TO 263-265 West 25th STREET – (BLOCK 775 LOT 6)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the County, City and State of New York, commonly known as and by street address number 263-265 West 25th Street, New York, NY, as more particularly described on Schedule A annexed hereto and made a part hereof.

TOGETHER with all rights, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the

AS TO 261 West 25th STREET – (BLOCK 775 LOT 8)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the County, City and State of New York, commonly known as and by street address number 261 West 25th Street, New York, NY, as more particularly described on Schedule A annexed hereto and made a part hereof.

TOGETHER with all rights, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

SCHEDULE B

PERMITTED ENCUMBRANCES

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and Sponsor, and the Floor Plans, all as may be amended from time to time.

3. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building or any portion or element thereof.

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

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Property.

6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

8. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for its permitted purposes.

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

11. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

12. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

19. Any additional title exceptions noted in the Specimen Title Policy set forth in Part II of the Offering Plan.

20. Any state of facts which an accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure or Common Elements upon another Unit or Units or upon the Common Elements or other Common Elements may remain undisturbed as long as the same shall stand.

21. Zoning Lot Development and Easement Agreement (with Declaration of Zoning Restrictions annexed) made by and among 245 Owner LLC, 245 Partners LLC, Centurian 245 LLC, and 245 West 25th Street Building Owner LLC, as Tenants-in-common; and 261 Owner LLC, dated as of 12/20/12 and recorded on 12/25/13 as CRFN 2013000078639.

A) Amended Declaration of Zoning Lot Restrictions made by 261 Owner LLC, dated 10/31/13 and recorded on 11/6/13 as CRFN 2013000457864.

B) First Amendment of Zoning Lot Development and Easement Agreement made by 261 Owner LLC, dated as of 10/31/13 and recorded on 11/6/13 as CRFN 2013000457865.

22. Declaration of Zoning Lot Restrictions made by 261 Owner LLC, 245 Owner LLC, 245 Partners LLC, Centurian 245 LLC and 245 West 25th Street Building Owner LLC, as Tenant-in-common dated 12/20/12 and recorded on 11/6/13 as CRFN 2013000457863.

23. Caretaker's Apartment Declaration made by Glenda Shasho Jones dated 2/10/97 and recorded 2/13/97 in Reel 2422 page 169. (Affects former Lot 5).

24. All other covenants, restrictions and matters of record.

SCHEDULE C

INSPECTION STATEMENT

261 OWNER LLC
c/o The Naftali Group
1700 Broadway, 16th Floor
New York, New York 1009

Re: Unit No._____
The Seymour Condominium

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted, I/we found the following items in good condition, free of chips, mars, breaks or other defects:

Items	Initials	Exceptions if any
Windows, window frames		
Electric fixtures & globes		
Interior painted surfaces		
Sinks, tubs, bowls & shower		
doors & trim		
Kitchen cabinets & counter tops		
Vanity tops & base		
Medicine cabinets, doors & mirror		
Hardware		
Flooring		
Appliances		

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to my/our date of moving. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

_____
Purchaser's Signature

_____
Purchaser's Signature

_____
Sponsor's Representative

ESCROW RIDER

To Agreement dated: _____ Covering Unit(s):_____
Sponsor: 261 Owner LLC
Purchaser(s):_____
Escrow Agent: Kramer Levin Naftalis & Frankel LLP

This rider ("Escrow Rider") to the captioned Agreement shall constitute a written agreement among Sponsor, Purchaser and Escrow Agent with respect to the subject matter hereof. Capitalized terms used but not defined herein shall have the meanings ascribed thereto as set forth in the captioned Agreement and/or the Offering Plan, as applicable.

1. The law firm of Kramer Levin Naftalis & Frankel LLP, with an address at 1177 Avenue of the Americas, New York, New York 10022, telephone number 212-715-9100, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser under the captioned Agreement. Escrow Agent has designated the following attorneys to serve as signatories: Jay A. Neveloff, Jonathan H. Canter, Neil R. Tucker, James P. Godman and Tzvi Rokeach. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

2. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

3. Escrow Agent has established the escrow account at TD Bank, N.A., 317 Madison Avenue, New York, New York 10017 ("Bank"), a bank authorized to do business in the State of New York. Each escrow account is entitled " Escrow Account" or similar name (each the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank, the funds in said accounts will be added together with the deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the FDIC's maximum coverage.

4. All Deposits received from Purchaser shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent." At the Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor.

5. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of May 1, 2014 such rate was no less than 0.15%. The actual initial interest rate for the Escrow Account with respect to Purchaser's Deposit shall be set forth in the notice to

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

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

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

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

9. Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after "consummation of the plan" (i.e., the filing of the Declaration and the First Closing following the Department of Law's acceptance of an amendment declaring the plan effective). Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

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

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

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

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

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

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

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

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

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

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

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

13. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations, in each case, to the extent applicable under GBL §§ 352(e)(2-b) and 352(h).

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

15. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

16. Sponsor agrees that it shall not interfere with Escrow Agent's performance of any fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law’s regulations.

17. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Agreement.

18. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

19. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with the Agreement or this Escrow Rider or the performance or non-performance of Escrow Agent's duties under the Agreement, this Escrow Rider or the Plan, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in the Agreement or this Escrow Rider, or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys’ fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

SPONSOR:

261 OWNER LLC

By:_____
Name:
Title:

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

ESCROW AGENT:

KRAMER LEVIN NAFTALIS & FRANKEL LLP

By:_____
Name:
Title: a partner

RIDER TO AGREEMENT

RE: STORAGE LICENSE

This Rider is made as of _____, 201___ between Sponsor and Purchaser.

Re: Unit _____ ("Unit")
The Seymour Condominium
261 West 25th Street
New York, New York 10001

LICENSE

A. Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use Storage Bin #_____ for a purchase price of $_____. The Storage License to use the Storage Bin shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

B. Upon execution of this Rider, Purchaser has delivered a check to Sponsor (subject to collection) in the amount of $_____ representing the downpayment due in connection with the purchase of the Storage License (the "Storage Deposit").

C. Upon issuance of the Storage License, Purchaser shall pay to Sponsor the balance of the purchase price allocable to the Storage License in the amount of $_____.

D. Upon issuance of the Storage License, Purchaser shall pay to Sponsor's Counsel the sum of $500 to reimburse Sponsor for a portion of its attorney processing fees in connection with the issuance of each Storage License.

E. Purchaser shall be responsible for the payment of transfer taxes or other taxes, if any, that are payable in connection with the issuance of the Storage License.

TEMPORARY CERTIFICATE OF OCCUPANCY

Purchaser may be required to consummate its purchase the Storage License upon closing of title to the Unit even though a Temporary Certificate of Occupancy, as applicable for the Storage Bin has not been issued, and/or access may not be available for the area of the Building designated for such use.

DAMAGE TO THE STORAGE BINS

If there is a fire or other casualty to the Storage Bins and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Agreement shall be deemed modified to provide for the closing of title with respect to the Unit only. In such event, any deposit therefore paid hereunder in respect of the Storage License shall be refunded to Purchaser.

SPONSOR'S RIGHT TO SUBSTITUTE STORAGE BINS

At or prior to delivery of the Storage License to Purchaser, Sponsor hereby reserves the right, with or without prior notice to Purchaser, to substitute the Storage Bin designated in Paragraph A above (the "Original Storage Bin") for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is equally sized or larger than the Original Storage Bin and provided

further that any monthly license fees payable by Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin hereunder shall not result in an increased Storage Deposit or purchase price hereunder and shall not afford Purchaser any abatement in purchase price or excuse Purchaser from its obligations hereunder.

CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Agreement for the Unit and any other default by Purchaser under the Agreement for the Unit shall constitute a default under the Rider entitling Sponsor to those default remedies as more fully described in the Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Agreement with respect to the delivery of the Storage License shall survive. If for any reason the closing of title with respect to the Unit does not occur, there shall be no issuance of the Storage License to the Purchaser and this Rider shall have no further force or effect except that to the extent the Purchaser is entitled to have its Deposit refunded, then the Purchaser shall also be refunded the Storage Deposit.

DEFINITIONS

All capitalized terms used in this rider not defined herein shall have the same meanings ascribed to them in the Agreement to which this Rider is annexed or in the Plan.

CONFLICTS

In the event of any inconsistency between the provisions of this rider and those contained in the Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

FULL FORCE & EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Agreement remain unchanged and in full force and effect.

PURCHASER(S)

_____
(signature)

_____
(signature)

SPONSOR:

261 OWNER LLC

By:_____
Name:
Title:

EXHIBIT 1A

FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. October 2007)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type See **Specific Instructions** on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership
☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ .....
☐ Other (see instructions) ▶

☐ Exempt payee

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

or

Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here **Signature of U.S. person ▶** **Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 7[2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.ssa.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or disregarded entity owned by an individual	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: *spam@uce.gov* or contact them at *www.consumer.gov/idtheft* or 1-877-IDTHEFT(438-4338).

Visit the IRS website at *www.irs.gov* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

EXHIBIT 1B

FORM W-8BEN (CERTIFICATE OF FOREIGN STATUS)

Form **W-8BEN**
(Rev. February 2006)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

► **Section references are to the Internal Revenue Code.** ► **See separate instructions.**
► **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do not use this form for:	**Instead, use Form:**
• A U.S. citizen or other U.S. person, including a resident alien individual	W-9
• A person claiming that income is effectively connected with the conduct of a trade or business in the United States	W-8ECI
• A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions)	W-8ECI or W-8IMY
• A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions)	W-8ECI or W-8EXP
Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*	
• A person acting as an intermediary	W-8IMY
Note: *See instructions for additional exceptions.*	

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of ..... within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article ..... of the treaty identified on line 9a above to claim a ..... % rate of withholding on (specify type of income): ..... .

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,

2 The beneficial owner is not a U.S. person,

3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, **and**

4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ► ....
Signature of beneficial owner (or individual authorized to sign for beneficial owner) | Date (MM-DD-YYYY) | Capacity in which acting

EXHIBIT 2

FORM OF RESIDENTIAL UNIT OWNER POWER OF ATTORNEY

UNIT OWNER
POWER OF ATTORNEY

_____

to

THE BOARD MANAGERS OF
THE SEYMOUR CONDOMINIUM

and

261 OWNER LLC

THE SEYMOUR CONDOMINIUM
261 West 25th Street
New York, New York 10001
Unit No. ____

County: New York
Block: 775
Lot: _____

Record and Return to:

_____

_____

_____

Attention: _____

UNIT OWNER
POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used in that certain Declaration, dated as of _____ ___, 20___, by 261 Owner LLC ("Declarant") pursuant to Article 9-B of the Real Property Law of the State of New York, establishing condominium ownership of the premises known as THE SEYMOUR CONDOMINIUM, 261 West 25th Street, New York, New York 10001 (hereinafter called the "**Condominium**"), which Declaration was recorded in the New York County Office of the Register of the City of New York (hereinafter called the "**Register's Office**") on _____ ____, 20___, in CRFN _____ (as the same may have been amended, hereinafter called the "**Declaration**"), shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration.

The undersigned: _____, having an office/residing at: _____, the owner of the condominium unit (hereinafter called the "**Unit**") known as Unit No. ____ at the Condominium, said Unit(s) being so designated and described in the Declaration and also designated as Tax Lot _____ in Block 775 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Condominium certified by _____ on _____ ____, 20___, and filed with the Real Property Assessment Bureau of the City of New York on _____ ____, 20___, as Condominium Plan No. _____ and also filed in the Register's Office on _____ ___, 20___, as CRFN _____, [does/do] hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute:

A. the board of managers of the Condominium (the **"Board"**), jointly true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Board, or in the name of their designee (corporate or otherwise), but subject in all respects to the provisions of the Declaration and the By-Laws (collectively, the "**Condominium Documents**"), then in effect, to:

(i) acquire in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, title to any Unit, together with its appurtenant Common Interest:

(a) in connection with the enforcement of the Board's lien for unpaid Common Charges;

(b) whose owner desires to surrender the same pursuant to Section 6.2.2 of the By-Laws;

(c) that becomes the subject of a foreclosure or other similar sale (including, without limitation, Units with respect to which liens for real estate taxes are being sold by the City of New York); or

(d) that is intended to be used as a residence for the superintendent or Resident Manager of the building;

on such terms, including, without limitation, price (with respect to subdivisions (c) or (d) above) as said attorneys-in-fact shall deem proper;

(ii) acquire or lease in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, any Unit, together with its appurtenant Common Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, on such terms and conditions as said attorneys-in-fact shall deem proper;

(iii) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any Unit so acquired or to sublease any Unit so leased by them, without the necessity of any authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in and to said Unit which the undersigned could do if personally present;

(iv) prepare, execute and administer Storage Licenses and assignments and assumptions thereof; and

(v) execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the City Register's Office:

(a) any declaration or other instrument affecting the Condominium that the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority (including, without limitation Chapter 3 of Title 25 of the New York City Administrative Code) applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium; or

(b) following due authorization by any affected Unit Owner(s) to the extent required in the Condominium Documents, any consent, covenant, restriction, easement or declaration, or amendment thereto, affecting the Condominium or any of the Common Elements, in each case that the Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact; and

B. 261 Owner LLC (in its capacity as a Declarant under the Declaration and as sponsor of the condominium offering plan for the Condominium, the "**Sponsor**"), true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution in the name of its designee (corporate or otherwise), but subject in all respects to the provisions of the Condominium Documents, then in effect:

(i) to execute an amendment to any of the Condominium Documents or acquire any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Sponsor or obtain an amended certificate of occupancy therefor or for the Building or any portion thereof, or any of said documents when such amendment:

(a) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Sponsor in accordance with the Declaration; or

(b) shall be required by: (1) a Permitted Mortgagee designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (2) any governmental agency having regulatory jurisdiction over the Condominium, or (3) 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 (a) or (b) of this paragraph shall not: (1) change the Common Interest of the undersigned's Residential Unit, (2) require a material or physical modification to the undersigned's Residential Unit, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage held by a Permitted Mortgagee covering the undersigned's Residential Unit unless the undersigned (in the event described in subdivision (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in subdivision (3) of this paragraph) shall consent thereto by joining in the execution of such amendment; and

(ii) to amend this Declaration and to effectuate the rights granted to Declarant under the Declaration and the By-Laws and the Offering Plan and to consent on behalf of the undersigned, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from Sponsor or Declarant, or its successors or assigns, all or any portion of the Development Rights.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned (has) (have) executed this Unit Owner's Power of Attorney as of the ___ day of _____, 20___.

_____

_____

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____, 20___ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT 3

FORM OF RESIDENTIAL UNIT DEED

CONDOMINIUM UNIT DEED

261 OWNER LLC

TO

_____

THE SEYMOUR CONDOMINIUM
261 West 25th Street
New York, New York 10001
Unit _____

County:	New York
Block:	775
Lot:	_____

Record and Return to:
_____
_____
_____
_____

CONDOMINIUM UNIT DEED

THIS INDENTURE is made the ___ day of _____, 20___, by and between 261 OWNER LLC, a Delaware limited liability company having an address at c/o The Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 (hereinafter called "**Grantor**") and _____, having an address at _____ (hereinafter called "**Grantee**").

W I T N E S S E T H:

That Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and release unto Grantee, and the heirs or successors and assigns of Grantee, forever:

The Condominium Unit (hereinafter called the "**Unit**") in the building (hereinafter called the "**Building**") known as THE SEYMOUR CONDOMINIUM and by the street address 261 West 25th Street, New York, New York 10001, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit _____ in that certain declaration, dated as of _____, 20___, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "**Condominium Act**") establishing condominium ownership of the Building and the land (hereinafter called the "**Land**") upon which the Building is situate (which Land is more particularly described in Schedule A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of The City of New York (the **"City Register's Office"**) on _____, 20___, as CRFN _____ (which declaration, and any amendments thereto, are hereinafter collectively called the "**Declaration**"). The Unit is also designated as Tax Lot ___ in Block 775 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of The City of New York and on the Floor Plans of the Building certified by _____ on _____, 20__, and filed with the Real Property Assessment Bureau of The City of New York on _____, 20__, as Condominium Plan No. ___ and also filed in the City Register's Office on _____, 20__, as Condominium Plan No. ___;

together with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration) of THE SEYMOUR CONDOMINIUM;

together with the appurtenances and all the estate and rights of Grantor in and to the Unit;

together with, and subject to, all of the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and By-Laws of THE SEYMOUR CONDOMINIUM, as each of the same may be amended from time to time (said By-Laws and any amendments thereto are hereinafter collectively called the "**By-Laws**"), including, without limitation, the restrictions and other provisions with respect to the permitted uses of the Unit; all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; subject also to such other liens, agreements, covenants, easements, restrictions, consents, other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively called the "**Property**") as more particularly described in Schedule B annexed hereto and by this reference made a part hereof.

TO HAVE AND TO HOLD the same unto Grantee, and the heirs or successors and assigns of Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 18 of the Declaration shall control.

Grantor covenants that Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Offering Plan and the Purchase Agreement (each as defined in the By-Laws), and the Declaration and By-Laws. This covenant is for the personal benefit of Grantee only and cannot be assigned to, exercised by, or inure to the benefit of any other person or entity, including, without limitation, any insurer of Grantee's title or successor to Grantee's interest.

In the event of a claimed breach of any covenant of Grantor contained in the preceding paragraph, Grantee shall first seek recovery against Grantee's title insurer before proceeding against Grantor for any breach of such covenants, it being agreed that the liability of Grantor shall be limited to the extent only that any loss or damage shall not be covered by such title insurance. In the event that Grantee shall elect not to purchase title insurance, then the liability of Grantor shall be limited to the extent only that any loss or damage would not have been covered by the title insurance that was available to Grantee as of the date of this conveyance. The terms of any marked-up title binder issued by any title insurer that is a member of the New York State Land Title Association, Inc. ("Title Company") in connection with any unit in the Building shall be conclusive evidence against Grantee of the title insurance coverage that was available to Grantee as of the date of this conveyance.

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that Grantor will receive the consideration for this conveyance, and will hold the right to receive such consideration, as a trust fund for the purpose of paying the cost of the improvements at the Property required to be made by Grantor and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

Grantee hereby accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof, including, without limitation, all the terms and provisions with respect to the permitted uses of the Unit.

This conveyance is made in the regular course of business actually conducted by Grantor. The Unit is not subject to a credit line mortgage.

The term "**Grantee**" shall be read as "**Grantees**" whenever the sense of this indenture so requires.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this indenture as of the day and year first above written.

GRANTOR:

261 OWNER LLC, a Delaware limited liability company

By:_____
Name:
Title:

GRANTEE:

_____
(Purchaser's Signature)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____, 20___ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____, 20___ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A

DESCRIPTION OF THE LAND

AS TO 267 West 25th STREET – (BLOCK 775 LOT 5)

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 95 feet easterly from the corner formed by the intersection of the northerly side of West 25th Street and the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 1/2 inches to a point;

THENCE easterly and parallel with the northerly side of West 25th Street a distance of 5 feet to a point;

THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 1/2 inches to a point on the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along the center line of the block between West 25th Street and West 26th Street a distance of 17 feet 4 3/4 inches to a point;

THENCE southerly along a line forming an interior angle on its westerly side of 91 degrees 03 minutes 10 seconds with the last mentioned line a distance of 98 feet 9 1/8 inches to a point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street a distance of 24 feet 2 1/2 inches to the point or place of BEGINNING.

Premises known as 267 West 25th Street, New York, New York 10001 and designated as Block 775, Lot 5 on the Land as shown on the Tax Map of the City of New York, County of New York.

Being the same premises conveyed to the grantors from RMN Realty Corp. by deed dated 3/4/96 and recorded 3/29/96 in Reel 2308 page 639.

AS TO 263-265 West 25th STREET – (BLOCK 775 LOT 6)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the County, City and State of New York, commonly known as and by street address number 263-265 West 25th Street, New York, NY, as more particularly described on Schedule A annexed hereto and made a part hereof.

TOGETHER with all rights, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the

AS TO 261 West 25th STREET – (BLOCK 775 LOT 8)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the County, City and State of New York, commonly known as and by street address number 261 West 25th Street, New York, NY, as more particularly described on Schedule A annexed hereto and made a part hereof.

TOGETHER with all rights, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

SCHEDULE B

PERMITTED ENCUMBRANCES

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and Sponsor, and the Floor Plans, all as may be amended from time to time.

3. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building or any portion or element thereof.

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

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Property.

6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

8. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for its permitted purposes.

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

11. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

12. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

19. Any additional title exceptions noted in the Specimen Title Policy set forth in Part II of the Offering Plan.

20. Any state of facts which an accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure or Common Elements upon another Unit or Units or upon the Common Elements or other Common Elements may remain undisturbed as long as the same shall stand.

21. Zoning Lot Development and Easement Agreement (with Declaration of Zoning Restrictions annexed) made by and among 245 Owner LLC, 245 Partners LLC, Centurian 245 LLC, and 245 West

25th Street Building Owner LLC, as Tenants-in-common; and 261 Owner LLC, dated as of 12/20/12 and recorded on 12/25/13 as CRFN 2013000078639.

A) Amended Declaration of Zoning Lot Restrictions made by 261 Owner LLC, dated 10/31/13 and recorded on 11/6/13 as CRFN 2013000457864.

B) First Amendment of Zoning Lot Development and Easement Agreement made by 261 Owner LLC, dated as of 10/31/13 and recorded on 11/6/13 as CRFN 2013000457865.

22. Declaration of Zoning Lot Restrictions made by 261 Owner LLC, 245 Owner LLC, 245 Partners LLC, Centurian 245 LLC and 245 West 25th Street Building Owner LLC, as Tenant-in-common dated 12/20/12 and recorded on 11/6/13 as CRFN 2013000457863.

23. Caretaker's Apartment Declaration made by Glenda Shasho Jones dated 2/10/97 and recorded 2/13/97 in Reel 2422 page 169. (Affects former Lot 5).

24. All other covenants, restrictions and matters of record.

EXHIBIT 4

DESCRIPTION OF PROPERTY AND BUILDING CONDITIONS

DESCRIPTION OF THE PROPERTY AND SPECIFICATIONS

261 West 25th Street
261 West 25th Street
New York, New York 10001

A. Location and Use of the Property:

1. Address: 261 West 25th Street
New York, New York 10001

2. Block/Lot Number: Block 775, Lots 5, 6 and 8.

Additionally, Lots 5, 6, 8 and 9 comprise a merged zoning lot in accordance with the provisions of Section 12-10(d) of the NYC Zoning Resolution and pursuant to the Zoning Lot Development and Easement Agreement ('ZLDA'), thereby permitting the transfer of development rights and protects light, air and view for certain windows of the Building from future development to the extent that the owners of the Lots have granted easements for light, air and view above horizontal planes at the elevations noted in the ZLDA. The ZLDA is attached as an exhibit in the Plan

The Building will comply with the Quality Housing regulations of the NYC zoning resolution (ZR 28-00), specifically: Size of Dwelling Unit, Windows, Refuse Storage and Disposal, Daylight in Corridors, Density in Corridors, Recreation Space and Planting Areas, Standards for Recreation Space.

3. Zoning: R8A.

4. Permissible Uses: Use Groups 1-9, 14 as per New York City Zoning Resolution, which permits residential and community facility uses. The Property and proposed uses will comply with all zoning and use requirements at closing.

B. Status of Construction:

1. Class of Construction: Class I-B: 2 hour protected - non-combustible (bearing walls and other major structural elements are generally of two hour fire resistance rating), conforming to all applicable regulations of the Building Code of the City of New York.

2. Status of Construction: The Building will be constructed under a New Building Permit. Documents have been filed with the New York City Department of Building under New Building Application No. 121184244-NB. It is expected that construction will commence May 2014

3. Certificate of Occupancy:

A Certificate of Occupancy will be issued for the building. The sponsor will obtain a temporary Certificate of Occupancy for each residential unit prior to the closing of each residential unit. The Sponsor expects to obtain the first Temporary Certificate of Occupancy by December 2015, Final Certificate of Occupancy by September 2016.

Buyers are advised to visit the DOB website for further recommendations when purchasing unit(s) in a building that does not have a Final Certificate of Occupancy. In addition, see the special risk section of the offering for further disclosure regarding TCO issues.

C. Site:

1. Size: The size of the Building Lot is approximately 9,506 square feet.

2. Number and Use of the Building:

The Building, which will be the only structure on the property located on the north side of West 25th Street, between Seventh Avenue and Eighth Avenue will be used primarily for residential purposes. The building will consist of 49 Residential Units.

The residential lobby entrance and building egress/service entrance will be located on West 25th Street.

3. Streets: West 25th Street abuts the property. The street is paved with asphalt, is owned and maintained by the City of New York and is in fair condition.

The street abutting the property is pitched to drain through catch basins. The catch basins are part of the New York City storm water drainage system. They are in usable condition.

There is currently no street lighting adjacent to the property owned, operated, and maintained by the City of New York.

4. Drives, Sidewalks and Ramps:

The sidewalks adjacent to the property will be replaced with new concrete sidewalks running full width from the property line along the street and pitched for drainage to the curb. Curbs abutting the property will be replaced with new steel-faced concrete curbs. There are no NYC light poles adjacent to the property.

Sidewalks and curbs will be designed to be free of tripping hazards and ponding in accordance with

NYCDOT's standards and applicable accessibility requirements.

Site lighting will consist of wall-mounted fixtures. Numbers of fixtures of each type are as shown on plans.

There are no fire hydrants adjacent to the property. The closest fire hydrant is approximately 10 feet east of the property on the south side of W. 25th St.

D. Utilities:

1. Electricity:

The electricity will be provided by Consolidated Edison Company, Inc. (Con Ed), a regulated utility company. The Building will be provided with a house meter for building common areas and base building mechanical systems.

Each Residential Unit is separately metered and shall pay actual usage charges directly to Con Edison on approved Utility Electric rates.

Con Ed will separately meter the electricity consumed in the Comment Elements of the building and the cost of the same will be borne by the Unit Owners as a Common Expense. This will be apportioned to each Unit in accordance with its common interest as provided in the First Year's Budget.

2. Gas:

Gas will be provided by Con Edison Company.

Con Edison will supply gas for heating (gas-fired boilers), and general use (kitchens, fireplaces and dryers in cellar laundry room) in accordance with New York City Building Codes.

Gas meters shall be provided as follows: one (1) for gas fired boiler(s), and one (1) for residential cooking, fireplaces and cellar laundry room dryers.

Gas for the Units will be collectively metered. The cost of the gas consumed in the Building (including all gas used for cooking purposes, fireplaces and domestic hot water) will be borne by the Unit Owners as a common expense.

The cost of the gas consumed in the building for heat will be borne by the Unit Owners as a common expense.

Gas for the Emergency Generator will be individually metered, the cost of which will be borne by all Unit Owners as a common expense.

3. Water and Sewer: The City of New York provides water supply and combined sanitary and storm sewer service.

   The charges for water and sewer services provided to the building (including Units, and in the common areas of the building) will be levied on the basis of a master city meter and borne by all Unit Owner as a Common Expense.

4. Telephone: Each Unit Owner will be required to pay telephone/data charges with respect to his or her Unit directly to the telephone company providing such service.

   The telephone charges with respect to the public areas of the building (such as the concierge's desk, maintenance offices, etc.) will be borne by all Unit Owners as a Common Expense and apportioned to each Unit in accordance with its common interest as provided in the First Year's Budget.

   The "Local" telephone service will be provided by either Verizon and/or other service provider.

5. Cable Television: Cable (or Satellite) Television service will be available for all Units from Time Warner Cable, Verizon or other alternate TV company.

   Each Unit that subscribes will pay all charges for cable television services, including installation and subscription charges directly to cable television provider.

   Each Unit will be provided with cable TV outlets in the living rooms and in each bedroom.

   The cable television service charges with respect to the public areas of the building will be borne by the all Unit Owners as a Common Expense.

E. Sub-Soil Conditions:

The foundation system consists of reinforced concrete foundation walls, concrete slab on grade and a combination of concrete spread footings and shear wall mat. All concrete will be cast-in-place and reinforced.

The Schist bedrock suitable for support of conventional concrete footings or mat foundation was found at a depth of 8 feet below street grade. The bedrock possessed allowable bearing pressures between 40 and 60 tons per square foot.

Groundwater levels were not encountered in the explorations; however, perched or trapped groundwater can be anticipated during periods of substantial rainfall at the top of bedrock elevations

across the site, or about 8 feet below sidewalk elevation. Because trapped groundwater can develop over the top of bedrock and above the anticipated foundation level, the cellar floor and/or mat foundation will be waterproofed and and a subfloor drainage system consisting of 12-inches of clean crushed stone and 4-inch diameter perforated pipes will be installed to collect and remove seepage from under the slab. Sheet waterproofing will be applied to the outside of the foundation and underside of the slab on grade.

To the best of our knowledge, there is no potential for mudslides or general soil erosion in the area and the site is not located within a FEMA designated flood zone.

F. Landscaping:

1. Planting Areas, Grass: Plantings consisting of shrubs, perennials and ground cover in a moveable raised planter will be provided at the cellar level 'Residents' Garden.

2. Fencing, Gates, Garden Walls:
Retaining walls at the Residents' Garden will be cast-in-place reinforced concrete capable of withstanding lateral earth pressure. The wall will receive a waterproof coating.

Four foot high divider fences of vertical painted wood slats with galvanized steel hardware will be provided at the main roof level separating two private terraces for the exclusive use of Units PHA and PHB, 'Roof Residential Outdoor Space' and mechanical areas. Gates of similar construction will be located for access to PHA private terrace and PHB private terrace, for access to mechanical area from PHA private terrace for access to mechanical area from 'Roof Residential Outdoor Space'.

3. Display Pools and Fountains:
None.

4. Trees: None.

5. Street trees: There are two existing street trees adjacent to the property on W. 25th St. Zoning regulations (ZR 26.41) are such that additional street trees are required adjacent to the zoning lot. Any additional trees that cannot be located, per above, in accordance with other regulations, will be planted by the Sponsor elsewhere.

G. Building Size:

1. Total Height: Approximately 121-8" from the top of finished floor at Residential Lobby to the top of slab at the Main Roof.

2. Sub-cellar: None.

3. Cellar: There will be one cellar (Cellar Level) – Typical height is approximately 11'-0" from top of floor slab to underside of ceiling slab above.

4. Number of Floors above Grade:
Floors above grade are designated 1-11, PH, Main Roof, EMR Level and Bulkhead Roof above.

5. Equipment Rooms: Mechanical Equipment Rooms will be located at Cellar, Main Roof and EMR Level.

6. Parapet/Railing Assemblies:
The parapet and/or railing assemblies will extend a minimum of 3' -6" above the roof finishes.

H. Occupancy:
(Location of Units and residential lobby)

Cellar:
None.

Floor 1:
Residential Lobby, 4 Residential Units.

Floors 2-11:
43 Residential Units.

Floor PH:
2 Residential Units.

Main Roof, EMR Level, Bulkhead Roof:
None.

I. Structural System:

1. Structural System: The building will be constructed of reinforced concrete flat plates (floor slabs) supported by concrete columns and shear walls. All concrete will be cast-in-place and reinforced. The lateral system will be represented by the concrete central shear core shear walls. It will resist wind and seismic forces as stipulated in 2008 New York City Building Code.

2. Exterior Walls: Although the majority of the facades will be a window-wall system, solid portions of the façades will be constructed of a 4" thick brick, 2" wide airspace, 6" thick cmu, 1" thick thermafiber insulation with an interior finish of 5/8" gypsum wallboard applied over 2½" steel studs and 2½" thick foil faced batt insulation, with an aggregate nominal thickness of approximately 1"-4" and a total 'R' value of 13 to meet NYCECC. Relieving

angles at masonry walls will be hot-dipped galvanized steel. The coating is designed to protect against rust. Other decorative material may be used on the exterior of the Building including stone at the base.

Local Law 11 report will be due in accordance with the NYCDOB schedule in effect at the completion of construction.

3. Windows and Doors: Residential Unit exterior windows shall be a window wall system with a combination of inswing casement and fixed windows. Residential Unit exterior doors shall be outswing. All shall be of aluminum construction with anodized and/or kynar painted finish and glazed with factory-assembled 1" insulating Low 'E' glass units. The custom windows will be manufactured by Wausau, Efco, Skyline, Oldcastle or no less equal in quality and design with a five year guarantee from the window manufacturer on material, workmanship and weather-tightness. The windows will be provided with factory installed limit stops in lieu of child safety window guards in compliance with applicable codes. No screens or separate storm windows will be provided. The perimeter of all windows will be caulked to control water and air infiltration.

   Structural performance: Withstand without excessive deflection, damage or impairment of function the higher of the wind or seismic load established by the requirements of the New York City Building

   Light and air requirements have been verified.

   The Building does not currently have landmark status.

4. Lot Line windows: The windows on the east and west façades of the Building from the 8th floor and above are 'Lot Line Windows'. These windows will be provided with sprinklers but may be required to be closed up if the adjoining Property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having these windows have other windows that, under the existing building codes, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. These windows in the Residential Units are identified on the floor plans that follow this Report.

5. Parapets and Coping: Parapets will be a constructed of reinforced concrete clad with water permeable coating or painted aluminum panels on the interior face, painted aluminum panels on the exterior face with painted aluminum or painted aluminum and tempered or laminated glass rails where required, all secured with anchors to the structure.

Copings will be painted aluminum. Parapets and railing assembly will be 3'-6" high minimum above adjacent floor, terrace and/or roof finishes per code. As designed, all exterior metals and fasteners shall be corrosion resistant.

6. Chimneys and Caps: The Building will have one refuse chute. The chute will have an explosion vent and metal flashing collar terminating in accordance with the New York City Building Code at the Bulkhead Roof. The chute will be approximately 16 gauge aluminum coated cold rolled commercial quality steel with factory applied damping material manufactured by U.S. Chutes or equal enclosed in a concrete and/or concrete block and/or gypsum wallboard shaft with 1 1/2 hour rated doors at every opening and an explosion proof cap at the termination point. The fireplace flue will be double wall as manufactured by Isokern/Rumford or approved equal, enclosed in a concrete and/or concrete block and/or gypsum wallboard shaft. Clean outs will be located at bends greater than 90º. Back draft protection will be provided.

   There will be no fireplaces.

7. Balconies and Terraces:

   Terraces will have concrete pavers as the deck finish with parapets and railings as described in Article I. 5; fences/divider walls will be as described in Article F. 2. Drainage at terraces will be as described in Articles I.10 and K.6

   Terraces will be located at Residential Units 1A, 1D, 9A, 9B, 9C and 11A. At the Main Roof Level there will 'Roof Residential Outdoor Space' and terraces for the exclusive use of Residential Unit PHA and PHB.

   There will be balconies at Residential Units 4-8E. The concrete balconies will receive concrete pavers. Handrails, minimum 3'-6" high above finished surface, will be constructed of painted aluminum and tempered or laminated glass, all secured with anchors to the structure. The balcony will be sloped to avoid pooling of water.

   As designed, there will be no railings with ladder effect. As designed, all exterior metals, including exposed fasteners, shall be corrosion resistant.

8. Exterior Entrances: The residential entrance will have a pair of swing doors with painted aluminum trim and tempered glass with a painted aluminum and glass marquee above. The marquee will be securely fastened to the structure. The egress will each have a painted aluminum swing door.

The exterior soffit above the entrances will be finished with painted aluminum. The exterior entrances were designed in accordance with applicable accessibility requirements and free of tripping hazards. As designed, all exterior metals, including exposed fasteners, shall be corrosion resistant.

The exterior residential entrance swing doors will be manufactured by Kawneer, Oldcastle, Wausau or approved equal and have a standard 10 year manufacturer's warranty.

Drainage system at marquee will be as per Article K.6 and is adequate per code.

Front loading, metal, USPS approved mailboxes will be located in the residential lobby at the 1st floor for the Residential Units only.

The doors to the roof will be 1.5 hour fire rated, self-closing, hollow metal doors with metal frames, complying with code.

9. Service Doors: Service doors will be 1.5 hour, 45 minute or 30 minute fire rated, self closing as required, hollow metal doors with metal frames complying with code.

10. Roof and Roof Structures:

The roofing system will be an Insulated Roof Membrane Assembly (IRMA) roof comprised of a two component liquid applied roofing (90 mil minimum thickness) manufactured by Siplast, or approved equal, installed below drainage mat, installed below extruded polystyrene board insulation (R-19), installed below minimum 2" thick concrete pavers or stone ballast. The insulation is in compliance with the Energy Conservation Construction Code of New York State. Specifications require that the roofing manufacturer license and approve the applicator/installer for the specified membrane.

As specified, pavers shall be professionally installed so as not to impede drainage nor void the manufacturer's warranty'.

Flashing will be as follows: base flashing, fluid-applied water-proofing membrane; counter-flashing and drain-flashing; aluminum.

Cast iron roof and area drains will be provided for all roof areas, which will discharge through internal cast iron leaders into building storm drain system. Scuppers will be provided at the EMR level roof and bulkhead roof.

There will be an interior painted metal ladder for access from the roof at the EMR Level to the Bulkhead Roof.

Stair, elevator and mechanical equipment bulkheads above the Main Roof will be constructed of materials similar to below with louvers of metal or other perforated material.

The roof will have a limited warrantee by the roofing manufacturer for a period of ten years and a limited guarantee by the contractor for a period of two years.

There will be no skylights.

As designed, all exterior metals, including exposed fasteners shall be corrosion resistant.

Vibration isolation will be provided for all rooftop mounted mechanical equipment and mechanical equipment in indoor mechanical rooms to prevent vibration and noise from reverberating to the Units below. All steel dunnage will have a galvanized finish.

11. Fire Escapes: None.

12. Yards and Courts: The 'rear yard', per ZR 23-532, is 30 feet from the rear property line at the level of the base plane. Terraces for Residential Units 1A and 1D will be within the rear yard and will be as described in Article I.7. The 'Residents Garden' will be below the level of the base plane and is not considered to be part of the rear yard as defined in the NYC Zoning resolution.

13. Interior Stairs: Stairs 1 and 2 will be a pair of scissor stairs (separately enclosed) serving the Building from cellar through the Main Roof Room Level. Stair 2 continues to the EMR Level. Stair 3 will be an enclosed stair serving the Building from cellar through 1st floor. The stairs will be constructed of concrete. The 2-hour rated stair enclosures will be constructed of reinforced concrete and/or concrete block and/or gypsum wallboard and will be painted. Steel pipe handrails will be provided.

14. Interior Doors and Frames:

The entrance door and frame to each Residential Unit will be flush-panel solid wood 1 3/4" thick F.P.S.C. 1 1/2 hour rated, STC 35 db, with stone saddles as required. Residential Unit interior swing doors, inclusive of closet doors, will be 1¾ " thick, flush-panel painted solid core wood doors in painted hollow metal frames with saddles as per the door schedule.

The entrance door and frame to each of the Storage Bins at the Cellar will be metal and metal mesh and have metal and metal mesh dividers.

All public corridor doors and frames and stair hall doors and frames will be painted flush-panel hollow metal, 1 3/4" thick, F.P.S.C. 1½ hour rated with saddles as per the door schedule.

Service doors and frames will be painted flush-panel hollow metal, 1 3/4" thick, F.P.S.C. 1½ hour or 45 minute rated with saddles, as appropriate.

15. Elevators:

Passenger elevators PE1 and PE2 will stop at floors Cellar, 1-11, PH, Main Roof. Elevators PE1 and 2 will use geared traction type machines and travel at 350 feet per minute. PE1 will have 2,500 pound lifting capacity, PE2 will have 2,000 pound lifting capacity. The passenger elevator doors will be single speed side opening automatic type.

The make and model number of the custom elevators will be Fujitec/Custom, Kone/Custom, Otis/Custom Schindler/Custom or ThyssenKrupp/Custom.

Various capacity air conditioning units will be provided for all Elevator Machine Rooms. These ac units will condition the air supply and will assure that the temperature in each room will not exceed the maximum allowed for proper operation of equipment.

Sponsor has advised that it has instructed the Management Company for the Condominium to enter into maintenance contracts for all elevators in the building. The budget reflects the cost of same.

16. Elevator Cabs:

A manufacturer for the elevator cabs has not yet been selected. Similarly, the cab lighting, as well as the materials for the floor, walls and ceiling of the cabs, have not yet been finalized.

As per the NYC Code, all elevators will be equipped with an emergency lighting system to operate automatically in the event of loss of normal power and will provide the prescribed levels of illumination for a minimum of four hours.

Each car will also have a two-way, hands-free voice communication system for distressed passengers. It will be automatically activated when the emergency call buttons is pushed. As per the NYC Code the emergency alarm bell will operate on a supplemental, independent power source for a minimum of four hours.

17. Sound Insulation:

Interior partitions inclusive of demising walls and walls surrounding bedrooms will contain a sound attenuation blanket, partitions will have a 50stc rating. Floors will

be comprised of a concrete slab (8" minimum thickness), 1/4" thick rubber sound control underlayment, a minimum of 2 layers ¾" tongue & groove subfloor and ¾" thick wood flooring. INR will be 0.

J. Auxiliary Features:

1. Refuse Disposal: The refuse chute will be located off the public corridor refuse room on each residential floor. The refuse chute will discharge into a compactor located at the Cellar Level. Building personnel will then take compacted refuse to the street via elevator for pickup up by NYC Dept. of Sanitation. The compactor ('model no. 45KSR by Wilkinson, or approved equal with a standard 1 year manufacturer's warranty), when installed, will receive all necessary government approvals.

2. Laundry Room: A Laundry Room will be located at the Cellar Level serving the Residential Units. The laundry room will contain, one laundry sink, two electric washers and four gas dryers.

   The gas dryers will be vented by an exhaust fan to the exterior. Utility charges for the laundry room will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

   All Residential Units will have their own clothes washer and ventless electric dryers.

3. The Amenities: The Amenities, comprised of the Fitness Center, Lounge, Dining Room and 1 toilet room, will be located in the Building at the Cellar Level, accessible from the service corridor. The Fitness Center (approximately 980 sf, 19 occupants) will be furnished with 2 drinking fountains, 2 treadmills, 2 ellipticals, 2 stationary bicycles, 1 rowing machine, 1 multi-station, free-weights and benches. The Lounge (approximately 995 sf, 66 occupants) will be furnished with 1 billiards table, 2 couches, 8 chairs, 1 coffee table and 6 side tables. The Dining Room (approximately 410 sf, 27 occupants) will be furnished with 1 dining table with seating for 8, 1 couch, 1 coffee table, 4 chairs, and 2 side tables. The Amenities will be for occupants only and will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

4. Residents' Garden:

   The Residents' Garden will be located in the Building at the Cellar Level, accessible from The Amenities, will be furnished with 4 café tables each with seating for 4, 4 chairs, 1 chair, 1 coffee table, 1 moveable planter and

will be landscaped as noted in Article F. The ground will be covered with concrete pavers. The Residents' Garden will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

5. Library: The Library (approximately 980 sf, 45 occupants) will be located in the Building at the 1st floor, accessible from the residential lobby, will be furnished with 2 chairs, 2 side tables and 2 bookshelves. The Library will be for occupants only, will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

6. Roof Residential Outdoor Space:
The 'Roof Residential Outdoor Space' will be located in the Building at the Main Roof Level, accessible from the elevator vestibule, will be furnished with 4 lounge chairs with side tables, 6 chairs, 3 end tables, a dining table with seating for 10 and a gas bbq and will be landscaped as noted in Article F. The floor surface will be concrete pavers. The 'Roof Residential Outdoor Space' will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

7. Storage: There will be a Storage Room at the Cellar, accessible from the public corridor. There will be approximately 17 bins. The Storage Bins will be licensed to individual occupants only. The Storage Space will be part of the Common Elements and the costs and expenses to operate and maintain the facility will be included in the Common Expenses.

8. Bicycle Room: The Bicycle Room will be located at the Cellar Level, accessible from the service corridor and will have racks & wall mounted hooks to store 25 bicycles. This facility will be for residential occupants only. The Bicycle Room will be part of the Common Expenses and will be allocated to each Unit as noted in the First Year's Budget in the Offering Plan.

K. <u>Plumbing and Drainage:</u>

1. Water Supply: Potable water is supplied via New York City public water system. A 4" domestic water service is provided from 25th Street. The water pressure is 30 psi at the top most plumbing fixtures in the building and maintained by means of an automatic constant pressure booster system. A duplex domestic water booster pump with automatic pressure controls will maintain water pressure within the code required limits. There is a single water meter for all Residential Units. Domestic water service will be provided with RPZ

backflow preventer and water meter in accordance with NYC DEP requirements.

No rooftop water storage tanks will be provided for domestic use.

2. Fire Protection System:

a. Fire water Services:

The building is fully sprinkled throughout via a combination standpipe and wet sprinkler system in accordance with New York City Building Code and NFPA 13 and 13R.

Siamese connections are provided as required by New York City Building Code and FDNY requirements. Water for the system is provided through one 6" dedicated Standpipe and sprinkler water service connected to the City water main from 25th Street.

A 750 GPM automatic fire pump controller power wiring is tapped ahead of the main electrical service switch, and supplements pressure for the fire protection system.

b. Standpipes: The residential floors are served by one combination standpipe and sprinkler riser located in one side of the main scissor stair enclosure, and a further standpipe in the other side of the main scissor stair enclosure. A further sprinkler riser is located in the trash chute. A drain riser is provided in accordance with code alongside each of the combination standpipe and sprinkler risers.

Piping will be schedule 40 steel piping with rolled or cut grooved or threaded joints.

c. Hose Rack, Hoses and Nozzles:

A 2½ inch hose valve with cap and chain will be located at fire standpipe riser at each floor.

A central hose station and locked key box will be located at the first floor Lobby. The hose cabinet will include the necessary devices and 375' hose in accordance with NYC Building Code and Fire Department.

d. Sprinkler System:

Sprinkler heads are Reliable Sprinkler Company's (or equal) concealed, pendant, sidewall or upright configuration as required to meet space conditions.

Sprinkler water will be from the 6" combined standpipe/sprinkler riser.

Automatic wet sprinklers will be supplied from combined FSP/sprinkler riser for entire Building.

Piping will be schedule 10 or 40 steel piping with rolled or cut grooved or threaded joints.

All sprinkler floor control valve assemblies are provided with sprinkler water flow and valve tamper switches for monitoring by the fire alarm control panel. All service valves are provided with tamper water flow switches connected to the sprinkler fire alarm panel. A sprinkler fire alarm panel monitors the fire pump. A central station-monitoring panel is provided to automatically transmit an alarm whenever flow is detected in the sprinkler system.

e. Siamese Connections:

One (1) flush mount Siamese connection, 3" x 3" x 6" is located at the grade level on 25th Street in accordance with New York City Building Code and FDNY requirements.

3. Water Pressure and How Maintained:

The domestic water pressure is maintained by means of an automatic constant pressure booster system to provide a minimum of 25 psi at all fixtures.. The fire protection water pressure is maintained by an automatic fire pump.

4. Water Storage Tank(s) and Enclosures:

There is one (1) 10,500 gallon tank for secondary water supply to the fire pump located within the mechanical bulkhead, and one (1) storm water detention tank located within the cellar.

5. Sanitary Sewage System:

a. Sewage Piping: Sanitary sewage will be conveyed by gravity via vented soil and waste branches, stacks and house drains, to combined house sewer.

Drainage and vent piping will be no-hub cast iron piping above grade with standard couplings consisting of stainless steel shield/clamp assembly and one-piece rubber sealing sleeve.

Drainage and vent piping will be hub spigot with neoprene joints below grade.

b. Sanitary Ejector Pumps:

Duplex Ejector pumps will pump waste water, sewage from the cellar Level to the sanitary pipe downstream of the house trap.

c. Sump Pumps: An elevator sump pump is provided for the elevator pit.

d. Sewage Disposal:
One (1) 8-inch combined sewer, to be connected to street municipal sewer on W. 25th Street. Combined sewer is allowed at this location.

6. Permits required: All permits will be obtained by the plumbing and sprinkler contractors.

Approval will be obtained from the New York City Department of Environmental Protection for one (1) 8" diameter combined sewer connection located on 25th Street. Approval will be obtained for one 6" fire service connection from 25th Street and (1) 4" domestic water service connection from 25th Street.

7. Storm Drainage System:
Gravity roof drainage from roof drains and terrace drains to one (1) 8" combined house sewer connected to street municipal sewer on W. 25th Street via the storm water detention tank located within the cellar. The trench drain at the Residents' Garden will be connected to the sump pit and pumped up to the 8" combined house sewer connected to street municipal sewer on W. 25th Street. The storm drainage system has been designed in accordance with DEP requirements for permissible flow into the municipal combined sewer.

a. Catch Basins: None.

b. Roof and Terrace Drains:
Roof and terrace drains will be located on the roof and terraces.

c. Piping: Cast iron piping will be no-hub cast iron piping with standard couplings consisting of stainless steel shield/clamp assembly and one-piece rubber sealing sleeve.

L. <u>Heating</u>:

1. Domestic Hot Water Heating:
Domestic hot water is provided by means of two (2) gas fired water heaters located within the roof top mechanical room. The water heaters will be manufactured by Aerco or approved equal located in the roof mechanical room. Each heater is capable of producing 30gpm recovery with two (2) 200-gallon storage tanks. Domestic hot and cold water is distributed to each Residential Unit by means of type "L" copper pipe distribution system. All hot water piping system shall be insulated with fiberglass pipe insulation with thickness as per New York State Energy

Conservation Code.

All units are sized to provide 120 degree water at peak load.

Instant hot water devices will not be provided.

The domestic hot water heaters shall be provided with natural gas supplied by public utility through a schedule 40 steel pipe distribution system.

2. Space Heating and Cooling:

Each Residential Unit will be provided with vertical fan coil air conditioning units.

Chilled Water will be provided by modular chillers (Artichill or approved equal) located in the cellar mechanical room.

The heating plant consists of two (2) gas fired condensing hot water boilers, manufactured by CAMUS (model AV800) or equal and located in the roof top mechanical room. These are designed to provide heating hot water to accommodate the building heating load. Each boiler is fitted with a flow control and automatic isolation valve.

The heating plant (boilers) sequencing is controlled by a control panel furnished by the boiler manufacturer and includes a communication interface to allow for remote monitoring by the buildings Building Management System (BMS) head-end PC.

Both hot water and chilled water will be distributed throughout the building. Operation of each fan coil will be controlled by a 7-day programmable wall mounted thermostat with automatic change over to provide heating or air conditioning. Nominal capacity of each unit will vary from 0.75 to 2 tons, depending on the size and exposure of the Residential Unit served.

Air conditioning and heating in common spaces and the lobby will be provided with horizontal fan coil units or air handing units. Operation of each FCU & AHU will be controlled by a 7-day programmable thermostat.

All systems will be controlled by an automatic temperature control system(s) with capability of assigning heating or air conditioning service to each of the heat pumps.

Other common areas, including the entry vestibule, will be provided with electric unit heating elements.

3. Piping, Insulation, Pumps:

All hot water piping will be Schedule 40 steel with standard weight fittings and will be insulated as required by the NYC Energy Code (NYCECC).

The insulation for Air Distribution Ducts will be installed in accordance with New York City Building Code, New York City Mechanical Code, ASTM, UL, NFPA, NYCECC (ASHRAE 90.1-2007). Insulation shall be 1½" thick 6 lb. rigid board, 1½" thick ¾ lb. density glass fiber blanket, and NFPA 96 compliant fire resistant duct wrap.

There will be two (2) hot water pumps, manufactured by Bell & Gossett or approved equal, for circulating heating water to be used in the condenser water loop.

There will be two (2) primary condenser water centrifugal pumps and two (2) chiller condenser water centrifugal pumps, all manufactured by Bell & Gossett or approved equal , in each respective loop.

M. Gas Supply:

1. Type: The Building will be provided with gas service as called for on the drawings for cooking ranges, fireplaces, emergency generator, cellar laundry room dryers, domestic hot water production and heating.

2. Meters: Common meter(s) will be provided for the Residential Units' gas cooking, fireplaces, hot water, and common area dryers.

   Separate meter will be provided for the building common space heating.

   Separate meter will be provided for gas generator.

3. Piping Material: All gas piping will be black steel Schedule 40 pipe with malleable iron fittings.

N. Air Conditioning:

1. Type of system:
   a) Residential: Each Residential Unit will be provided with vertical four (4) pipe fan coil air conditioning units. Chilled water will be provided by central water cooled chillers and pumps located within the cellar mechanical room. Condenser water for the chillers will be provided by a cooling tower located on the roof and condenser water pumps to be located in the cellar mechanical room. Both cooling tower and condenser water pumps will be provided with variable speed drives for capacity control and energy conservation.

   Operation of fan coil unit will be controlled by a 7-day

programmable wall mounted thermostat with automatic change over to provide heating or air conditioning. Nominal capacity of each unit will vary from 0.75 tons to 2 tons, depending on the size and exposure of the Residential Unit served. System will be capable of maintaining inside conditions of 78° F and 60% relative humidity when outside temperature is 89° DB.

Units will be manufactured by McQuay as follows or approved equal:

Symbol	International Manufacturer and Model Number	CFM	Total Capacity BTUH Cooling	Total Capacity BTUH Heating
FCU-A	FHSS-03	300	9,100	12,200
FCU-B	FHSS-04	400	12,200	16,350
FCU-C	FHSS-06	600	19,000	22,100
FCU-D	FHSS-10	1000	31,900	40,200
FCU-E	FCHH-08	450	16,200	19,600

All Residential Units will have one or more fan coil units as scheduled above.

2. Individual units:

Individual units will be designed to meet all requirements of the NYCECC. Cooling capacities are based on ASHRAE and ARI conditions of 89 deg. F DB/73 deg. WB outside, 75 deg. F DB/50%RH inside air.

Separate fan coil units and air handling units will be provided for various common areas inclusive of the lobby, The Amenities Spaces, elevator machine room, telephone room.

Cooling and heating of corridor ventilation air will be provided by packaged rooftop unit. The rooftop unit has a cooling capacity of 210,000 BTUH and heating capacity input of 215,000 BTUH.

3. Cooling Tower:

The cooling tower has a 2,400,000 BTUH cooling capacity at 900 gallons per minute. The tower will be installed on steel dunnage mounted on spring vibration isolators which are mounted on concrete curbs. The external vibration isolator is seismic rated and has a maximum of 4” deflection. As designed, all exterior metals including fasteners will be corrosion resistant.

Piping which is exposed to weather will be covered with a PVC plastic jacket similar to Johns-Manville “Zeston 2000” or equal, including all fittings in addition to insulation and finishes specified for piping exposed to outdoors.

O. Ventilation:

1. Bathrooms: Interior residential bathrooms will be ventilated with an exhaust ventilation system continuously exhausting a minimum of 25 cubic feet of air per minute from each bathroom.

2. Non-Residential Bathrooms: Interior non-residential bathrooms will be ventilated with an exhaust ventilation system exhausting a minimum of 75 cubic feet of air per minute for each water closet and urinal.

3. Locker Room: Locker rooms will be ventilated with exhaust ventilation capable of exhausting air at a rate of 1 cubic feet per minute per square foot.

4. Public Corridors: Typical floor corridors will be provided with conditioned outside air.

5. Laundry Room: Laundry Room in the cellar will be provided with a fan forced exhaust system from dryers and an outside air supply interlocked with the dryers.

6. Gas Meter Room: Gas meter room will be provided with vent in 2 hour fire rated enclosure exhausted directly to outside.

7. Bike Storage Room: Bike Storage Rooms will be ventilated with exhaust ventilation capable of exhausting air at a rate of 50 cubic feet per minute.

8. Residential Units: Habitable rooms of Residential Units will be provided with natural ventilation by opening of operable windows only.

9. General All spaces, inclusive of cellars shall be ventilated at the rate specified by the NYC Mechanical Code.

10. Noise All rooms inside Residential Units will be provided with air outlets with noise criteria (NC) between 30-40, all other spaces between NC 35-40.

P. Electrical System:

1. Service from main switchgear: The main electrical service enters the building underground from 25th Street. The service has the capacity of 4,000 amps at 120/208 volt, 3-phase. Circuit breakers shall protect the wiring in accordance with the New York City Electrical Code. There is one (1) meter room located in the cellar switchboard room, which contains the electric meters for all Residential Units. Four (4) 800-amp, 120/208-volt, 3-phase meter banks serve the Residential Units. Separate main

disconnect switches and metering equipment are provided for the Residential building house loads.

2. Service to individual units:

   Each Residential Unit has a dedicated circuit breaker panel, which contains circuits for fan coil units, small appliance circuits, general lighting and convenience receptacle circuits and dedicated circuits for large appliances, including dishwashers, ovens, and refrigerators. Each Residential Unit Owner is separately metered and shall pay actual usage charges directly to Con Ed on approved Utility Electric rates. Residential Unit panel boards will include a minimum forty-two (42) pole spaces.

   Arc Fault Circuit Interrupters (AFC) shall be provided as per latest applicable NEC requirements.

3. Unit service: The equipment will be rated to comply with New York City Code and will take into account all equipment provided in Residential Units, such as washing machines, clothes dryers, dishwashers, microwaves, etc.

4. Adequacy:

   a. Service: Capacity provided for each Residential Unit will be in accordance with Code requirements. All Residential Units will be provided with a minimum of 100 amp, 120/208 volt, 1-phase, 3- wire electrical service. Electrical panels shall be rated for a minimum of 100 amps with (26) 20A breakers and (2) 2pole 30A breakers. See breakdown below for individual service requirements.

   b. Lighting and fixtures:

      Switched lighting fixtures will be provided in bathrooms, foyers, walk-in closets, and kitchens. Fixtures will be energy efficient lamp type in foyers, baths and kitchens.

   c. Convenience receptacles, appliance receptacles:

      Switched receptacles will be provided in each bedroom and living room in compliance with NYC Electrical Code. Ground fault receptacles will be provided in all bathrooms, on top of kitchen counters and at Residential Unit terraces, where applicable. Water-proof receptacles shall be used in all exterior uses. Appliance receptacles will be provided in kitchens. Convenience receptacles will be provided to meet the requirements of the NYC Electrical Code.

The following amperage is provided for each unit:

Unit	Amperage	Panel Rating
1A:	150	120/208V/1Ph/60Hz
1B:	100	120/208V/1Ph/60Hz
1C:	100	120/208V/1Ph/60Hz
1D:	150	120/208V/1Ph/60Hz
2A:	100	120/208V/1Ph/60Hz
2B:	200	120/208V/1Ph/60Hz
2C:	100	120/208V/1Ph/60Hz
2D:	200	120/208V/1Ph/60Hz
2E:	100	120/208V/1Ph/60Hz
3A:	100	120/208V/1Ph/60Hz
3B:	150	120/208V/1Ph/60Hz
3C:	150	120/208V/1Ph/60Hz
3D:	150	120/208V/1Ph/60Hz
3E:	100	120/208V/1Ph/60Hz
4-8A:	100	120/208V/1Ph/60Hz
4-8B:	150	120/208V/1Ph/60Hz
4-8C:	150	120/208V/1Ph/60Hz
4-8D:	200	120/208V/1Ph/60Hz
4-8E:	100	120/208V/1Ph/60Hz
9A:	100	120/208V/1Ph/60Hz
9B:	200	120/208V/1Ph/60Hz
9C:	150	120/208V/1Ph/60Hz
10A:	100	120/208V/1Ph/60Hz
10B:	200	120/208V/1Ph/60Hz
10C:	200	120/208V/1Ph/60Hz
11A, PHA:	200	120/208V/1Ph/60Hz
11B, PHB:	200	120/208V/1Ph/60Hz

5. Emergency Power

A natural gas emergency generator will be located in the open mechanical equipment roof that has enough capacity to support the specified emergency life safety and optional standby loads.

The generator has been sized for both ‘life safety loads’ and critical building operation ‘optional standby loads’.

The following Optional Standby Loads for the Residential Units have been included for the emergency generator:

A 20 amp receptacle connected to the emergency generator will be provided in the residential lobby and each Residential Unit. This receptacle will only be operational under emergency power conditions and shall be utilized for cell phone recharging and other minor applications.

A dedicated receptacle for the refrigerator within each apartment will be connected to the emergency generator.

Q. Telephone, Intercom and Security Systems:

Telephone service will enter the Building on the Cellar level and will be routed through various rooms and terminate in the building's centrally located main telecom room. It will then be distributed throughout the building through risers and sleeves. Each residential unit will receive telephone service to a closet within the Unit.

The system shall be capable of accommodating a variety of cable service providers.

Each Residential Unit will be provided with an intercom system that utilizes the telephone system. Unit Owner will provide telephone for intercom.

Wiring will be installed in each Residential Unit to enable the Unit Owner to obtain telephone and cable television service at the Unit Owner's expense.

The Building will not be equipped with a master television antenna system.

R. Public Area Lighting:

Entrances to the building at grade will be provided with a minimum of one light fixture. Lobbies will be provided with ceiling mounted and/or recessed downlight fixtures. All lighting levels have been designed in accordance with the NYC Building Code and the Housing Maintenance Code.

Egress lighting will be provided at all exterior spaces inclusive of Residents' Garden, Roof Residential Outdoor Space, private terraces and balconies to meet code.

Public corridors in the cellar level will be lit by means of sealed and gasketed surface mounted fluorescent lights. Public corridors in the ground level will be lit by means of recessed lensed and surface mounted exposed fluorescent lights. Public corridors on typical residential floors will be lit by means of recessed downlights. The lighting in public corridors will be generator fed as required to maintain NYC minimum two (2) foot-candles upon power failure.

The building service rooms and stairwells will be lit by means of lensed and exposed surface mounted fluorescent lights.

S. Garage: None.

T. Swimming Pools: None.

U. Recreation Facilities: Indoor recreation space will be provided in Fitness Center, part of The Amenity Space located at the Cellar Level as described in Article J. No outdoor recreation space will be provided.

V. Permits and Certificates: The building is being constructed under a New Building Permit. Sponsor will obtain all required permits and inspections prior to closing.

W. Violations: Sponsor will cause all violations to be cured and/or removed of the record prior to issuance of the permanent Certificate of Occupancy.

X. Vaults: None.

Y. Unit Information:

1. Residential Unit Information:

There will be 49 Residential Units.

Top of floor slab to bottom of hung ceiling heights in the Residential Units will be approximately 9'-3". Ceiling heights in the powder rooms and bathrooms in the Residential Units will be approximately 8'-6". Ceiling heights in the public corridors will be approximately 8'-2". At beam drops and/or where there are concealed mechanical pipes or ducts or dropped ceilings, heights may be lower than the above stated heights and may also vary slightly from room to room.

The types of Residential Units, together with the type and number of rooms in each of the same, are as follows. A '.5 bathroom' is without shower or bathtub.

Type/ Rooms	Unit	Floor
0 BEDROOM		
Studio, Kitchen, and 1.0 Baths	Unit: B	Floor: 1
1 BEDROOM		
1 Bedroom, Living /Dining Room, Kitchen, and 1.0 Baths	Unit: C Unit: A, E Unit: A	Floor: 2 Floor: 2, 3, 4, 5, 6, 7, 8 Floor: 9, 10
2 BEDROOM		
2 Bedrooms, Living /Dining Room, Kitchen, and 1.0 Baths	Unit: C	Floor: 1

Type/ Rooms	Unit	Floor
2 BEDROOM		
2 Bedrooms, Living /Dining Room, Kitchen, and 2.0 Baths	Unit: C	Floor: 3, 4, 5, 6, 7, 8
2 BEDROOM		
2 Bedrooms, Living /Dining Room, Kitchen, and 2.5 Baths	Unit: A Unit: D Unit: B Unit: C	Floor: 1 Floor: 1 Floor: 2, 3, 4, 5, 6, 7, 8 Floor: 9, 10
3 BEDROOM		
3 Bedrooms, Living/Dining Room, Kitchen, and 2.5 Baths	Unit: D Unit: B	Floor: 2, 3, 4, 5, 6, 7, 8 Floor: 9, 10, 11, PH
3 BEDROOM		
3 Bedrooms, Living /Dining Room, Kitchen, and 3.5 Baths	Unit: A	Floor: 11, PH

Fixtures and Appliances: Subject to Sponsor's right to make substitutions as set forth in the Offering Plan, the Residential Units will be equipped with the following or comparable fixtures and appliances:

ITEM	DESCRIPTION	UNITS
18” Dishwasher	Bosch SPV5ES53UC	1B.
24” Dishwasher	Bosch SHV68T53UC	All Units except 1B.
24” Electric Wall Oven	Bertazzoni F24 PRO XV	1B.
30” Electric Wall Oven	Bertazzoni F30 PRO XV	All Units except 1B.
24” Gas Cooktop	Bertazzoni V24 4 00X	1B.
30” Gas Cooktop	Bertazzoni QB30 4 00 X	1A, 1C, 1D, 2A, 2B, 2C, 2E, 3-8A, 3-8B, 3-8C, 3-8E, 9-10A, 9-10C.
36” Gas Cooktop	Bertazzoni QB36 5 00 X	2D, 3-8D, 9-10B, 11-PHA, 11-PHB.
30” Range Hood (recirculation)	Zephyr ZGEE30AS	1A, 1B, 1C, 1D, 2A, 2B, 2C, 2E, 3-8A, 3-8B, 3-8C, 3-8E, 9-10A, 9-10C.
36” Range Hood (recirculation)	Zephyr ZGEE36AS	2D, 3-8D, 9-10B, 11-PHA, 11-PHB.
Undercounter Microwave	GE Profile PEM31SF	All Units.
27”Refrigerator/Freezer	Subzero 700TCI	1B.
30”Refrigerator/Freezer	Subzero IT-30CIID	2A, 2C, 2E, 3-8A, 3-8E, 9-10A.
36” Refrigerator/Freezer	Subzero ID-36CIID	1A, 1C, 1D, 2B, 2D, 3-8B, 3-8C, 3-8D, 9-10B, 9-10C, 11-PHA, 11-PHB.
24” Kitchen Sink	Custom Undermount Stainless	1B.
30” Kitchen Sink	Custom Undermount Stainless	All Units except 1B.

ITEM	DESCRIPTION	UNITS
Kitchen Faucet	Grohe 32319 Minta	All Units
Food Waste Disposer	Insinkerator Evolution Essential	All Units.
Clothes Washer	Bosch WAP24200UC	All Units.
Clothes Dryer (electric, recirculating)	Bosch WTB86200UC	All Units.
Water Closets	Toto MS614114CEF	All Bathrooms and Powder Rooms.
Lavatories	Grohe 20191	All Bathrooms and Powder Rooms.
Integrated Bathtubs	Kohler K-1821	Master Bathrooms Units 1B, 1C, 2A, 2C, 2E, 3-8A, 3-8E, 9-10A, and all Secondary Bathrooms.
Integrated Bathtubs	Kohler K-1822	Master Bathrooms Units 1D, 2B, 2D, 3-8B, 3-8D, 9-10B, 9-10C, 11-PHA, 11-PHB.

Finish Schedule: The following is a finish schedule for a typical Residential Unit:

Location	**Floor**	**Base**	**Walls**	**Ceiling**	**Remarks**
Foyer, Corridors	wood	wood	gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	
Living Rooms, Dining Room, Family Rooms, Closets, All other rooms and halls in Unit.	wood	mdf	gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	
Bedroom	wood	mdf	gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	
Master Bathroom	Stone tile	Stone tile	WR gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	Approximately 3’-6” high stone tile, full height at shower and tub surround, stone countertop, mirror

Location	Floor	Base	Walls	Ceiling	Remarks
Secondary Bathroom	Stone tile	Porcelain tile	WR gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	Full height stone tile at tub surround, full height porcelain tile elsewhere, stone countertop, mirror
Powder Room	wood	mdf	WR gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	Stone countertop, mirror
Kitchen	wood	mdf	WR gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	Manufactured stone surface countertops, stone backsplash
Laundry Closet	wood	mdf	gypsum board-painted	Conc. w/ Kadex-painted and/or Hung gypsum board-painted	

Wood flooring will be ¾" solid white oak. Components will be as noted in Article I.17

'Painted' refers to 1 coat primer and 2 coats paint.

Finish Schedule: The following is a finish schedule for spaces other than Residences:

Floor Number	Location	Floor	Base	Walls	Ceiling
Cellar	The Amenities	wood/ terrazzo	Wood/ stone	gypsum board-painted/wc/ glass/ mirror	conc. w/ Kadex-painted and hung gypsum board-painted
	The Amenities Toilet Room	stone tile	stone tile	wr gypsum board-painted/wc/ mirror	wr hung gypsum board-painted
	Laundry Room	ceramic tile	ceramic tile	gypsum board-painted	hung gypsum board-painted
	Bicycle Room, Corridor,	concrete/ painted	none	concrete/ cmu - painted	concrete-painted

Floor Number	Location	Floor	Base	Walls	Ceiling
	Compactor Room, Domestic Water Service Room, Fire Pump Room, MDF, Mechanical Room,	sealed concrete	none	concrete/ cmu - painted	concrete
	Gas meter Room, Main Electric Room, Telecom Room	concrete/ painted	none	concrete/ cmu - painted	concrete
	Staff Locker Room and Toilet Room	ceramic tile	ceramic tile	Concrete/ cmu/ gypsum board - painted	hung acoustical ceiling tile
	Super's Office/ Workshop	concrete/ painted	none	concrete/ cmu - painted	hung acoustical ceiling tile
	Storage Room	concrete/ painted	none	Concrete/ cmu/ gypsum board - painted	concrete-painted
	Elevator Pits, storm Detention Tank	concrete - waterproof membrane	concrete -water-proof mem-brane	Concrete/ cmu	concrete
	Stairs	concrete - painted	none	Concrete/ cmu/ gypsum board - painted	concrete-painted
1st Floor	Lobby,	terrazzo	stone	gypsum board -painted; wood panels, mirror, glass	gypsum board-painted
	Library	wood	wood	gypsum board -painted; wood panels, mirror, glass	gypsum board-painted
	Vestibule	Coco mat/ terrazzo	stone	gypsum board -painted; wood panels, mirror, glass	gypsum board-painted

Floor Number	Location	Floor	Base	Walls	Ceiling
	Stairs	concrete - painted	none	Concrete/ cmu/ gypsum board - painted	concrete-painted
	Refuse Closet	ceramic tile	ceramic tile	gypsum board – painted/ ceramic tile	gypsum board-painted
	Egress Corridor	sealed concrete	none	Concrete/ cmu- painted	hung acoustical ceiling tile
Floors 2-11, PH	Corridor	carpet	vinyl	gypsum board-painted	gypsum board-painted
	Stairs	concrete - painted	none	Concrete/ cmu/ gypsum board - painted	concrete-painted
	Refuse Closet	ceramic tile	ceramic tile	gypsum board – painted/ ceramic tile	gypsum board-painted
Main Roof, EMR Level	Elevator Machine Room, Mechanical Rooms	sealed concrete	none	concrete/ cmu- painted	concrete
	Stairs, Vestibule	concrete - painted	none	Concrete/ gypsum board/cmu-painted	concrete - painted
	Elevator Vestibule	terrazzo	stone	gypsum board-painted/wc	

Z. Substitutions: The Sponsor reserves the right to substitute materials, appliances, fixtures and equipment to make substitutions as set forth in the Offering Plan, comparable in quality and design to those set forth in this report.

AA. Safety and Warning Devices:

A one-way voice communication fire alarm system shall be provided for this building including smoke detectors at elevator lobbies, in elevator machine rooms and in elevator shafts for elevator recall and in mechanical rooms. Heat detectors shall be provided at top of elevator shafts for elevator recall and in the Boiler Room as required. A fire command station shall be provided in the building lobby within sight of the elevators. Speakers shall be provided in each apartment and in stairwells on every other floor. Fire Fighter phones shall be provided in every stairwell on

every floor. A fire warden station shall be provided in every common space elevator lobby on each floor. The fire alarm system shall be installed as required per 2008 NYC building code.

Each apartment will be provided with a combination smoke/carbon monoxide alarms in each bedroom and within fifteen feet of each bedroom door (all devices interconnected), each apartment's system shall be stand alone and not part of the buildings fire alarm system.

BB. Additional Information: To the best of my knowledge, belief and professional judgment, these plans and specifications are in compliance with the 2011 New York City Energy Conservation Construction Code (NYCECC) Chapter 5 Commercial Energy Efficiency.

As specified, the gypsum wallboard in this Building will be manufactured in the US and may contain non-detectable amounts of sulfides.

The architect of record, Goldstein, Hill & West Architects, LLP has not been retained by the sponsor to perform controlled inspection/ commissioning agent on the project.

We have been advised by Sponsor that the following documents shall be transferred to the condominium management upon transfer: Operation & Maintenance (O&M) manuals for mechanical equipment; electronic system manual, equipment warranties; roof warranty; major equipment start-up sheets; original test and balance report for HVAC; final as-built mechanical, electrical and plumbing drawings as maintained during construction.

CC. Additional Information on Floor Areas of Units:

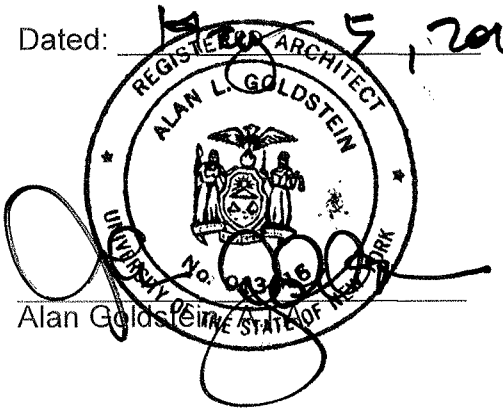
The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building Line or Property Line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Where the window wall is recessed between masonry piers, the area is measured from a Building Line which is taken as a straight line from exterior face of pier to exterior face of pier, parallel to the Property Line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other

outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above (above any suspended ceiling.

The foregoing constitutes a true, correct and complete Description of Property by our firm for the property located at 261 West 25th Street, New York, New York.

Dated: May 5, 2014



Alan Goldstein, A.I.A.

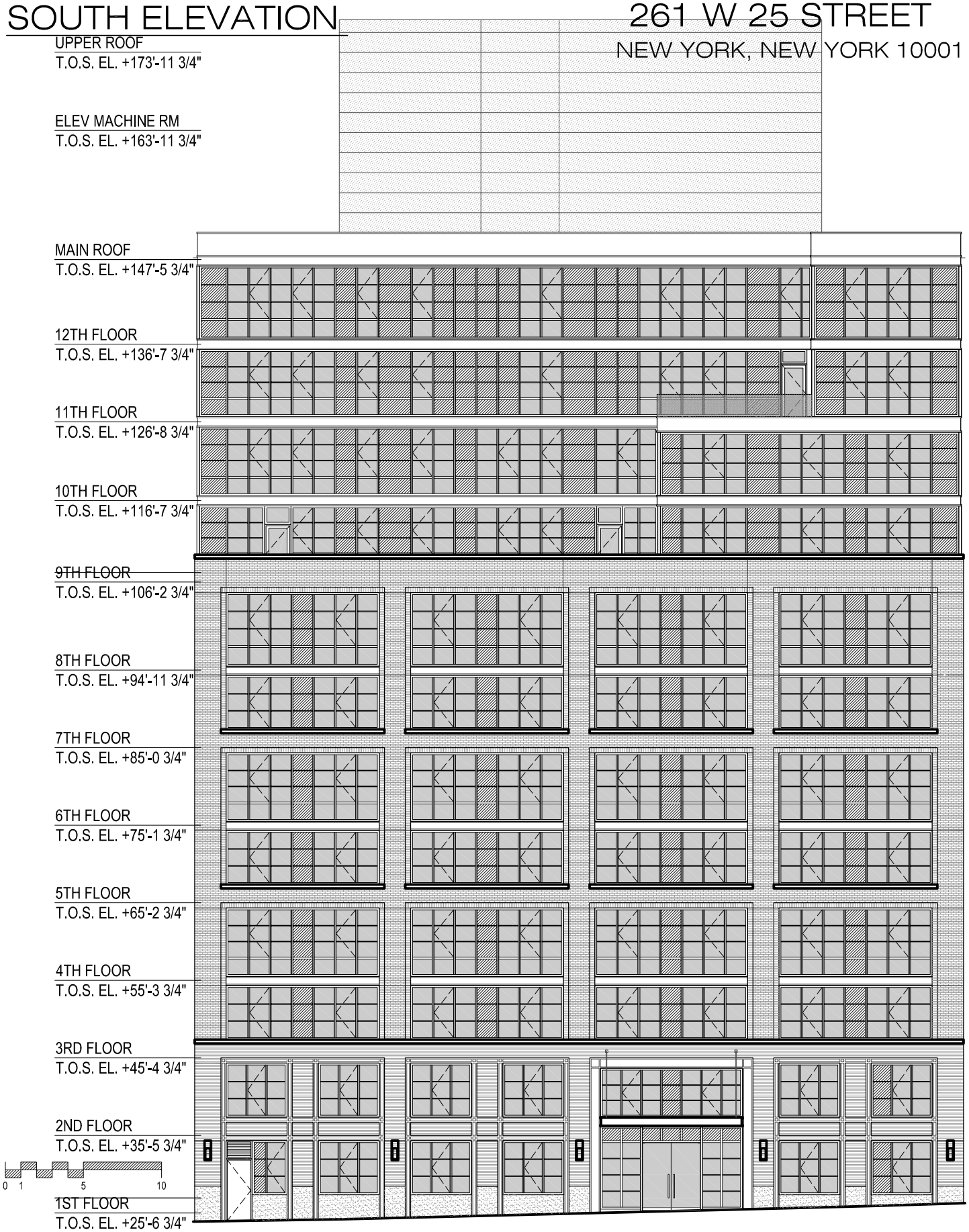
EXHIBIT 5

FLOOR PLANS

SOUTH ELEVATION

261 W 25 STREET

NEW YORK, NEW YORK 10001



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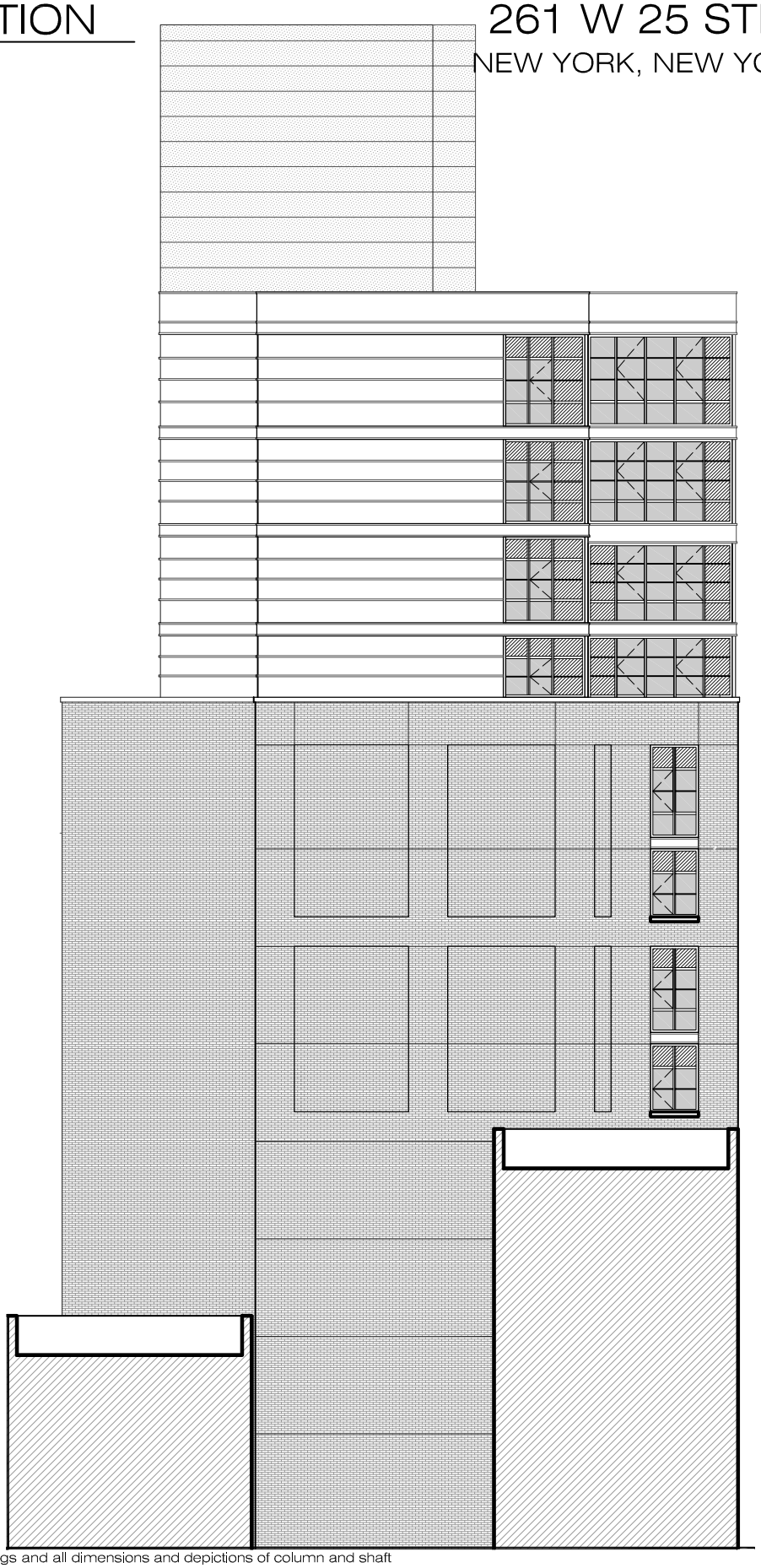
WEST ELEVATION

261 W 25 STREET
NEW YORK, NEW YORK 10001



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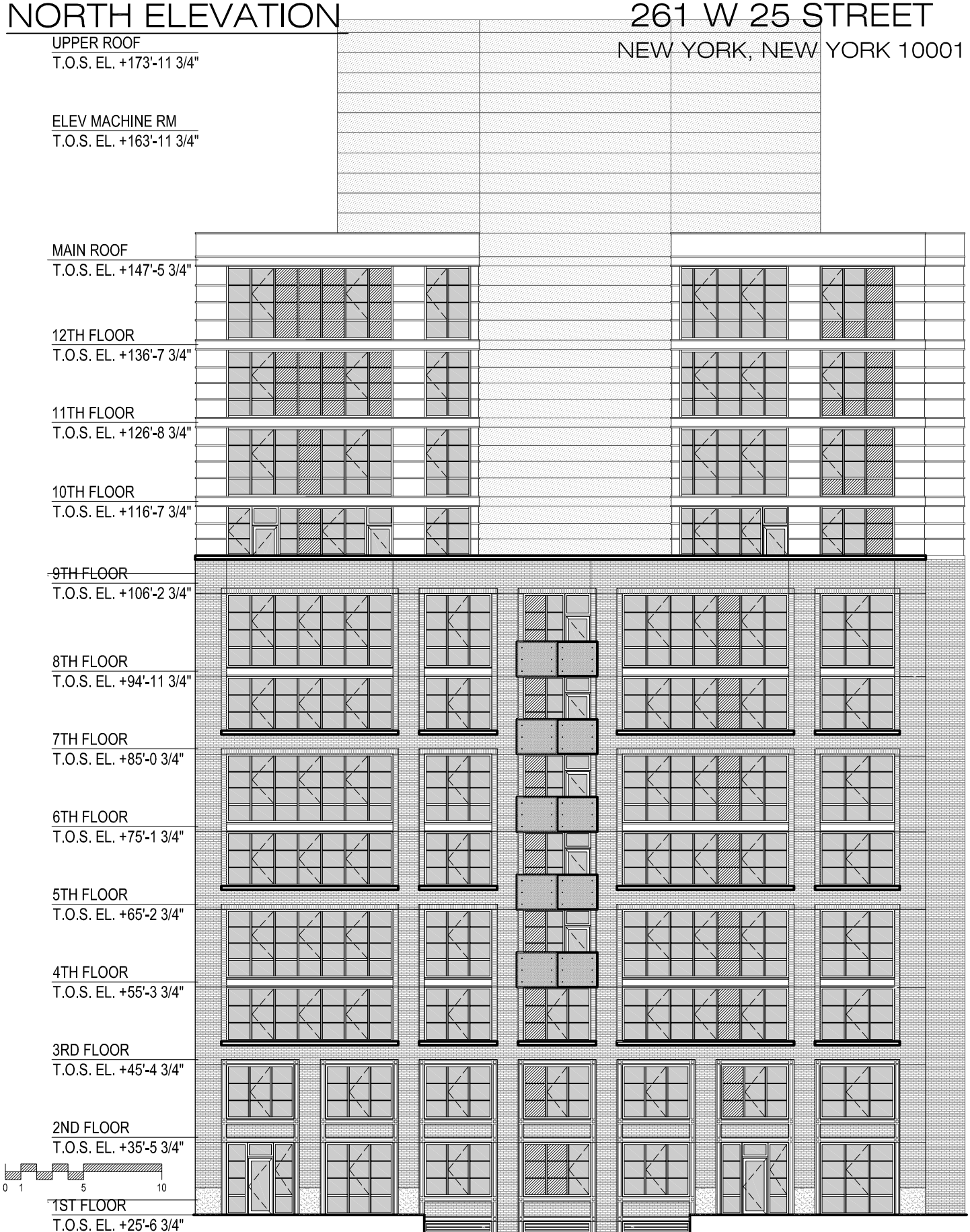
NORTH ELEVATION

261 W 25 STREET
NEW YORK, NEW YORK 10001



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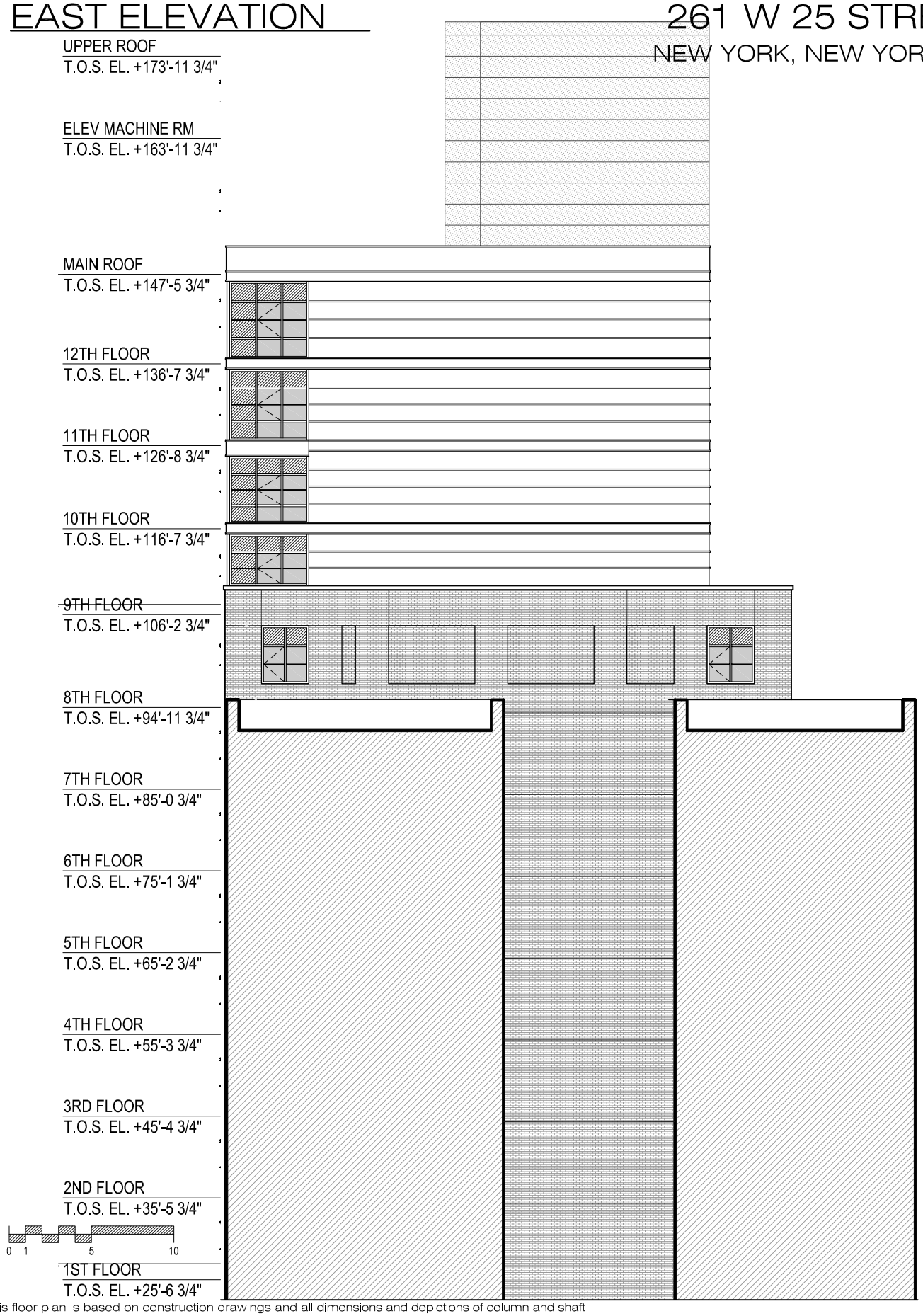
EAST ELEVATION

261 W 25 STREET
NEW YORK, NEW YORK 10001



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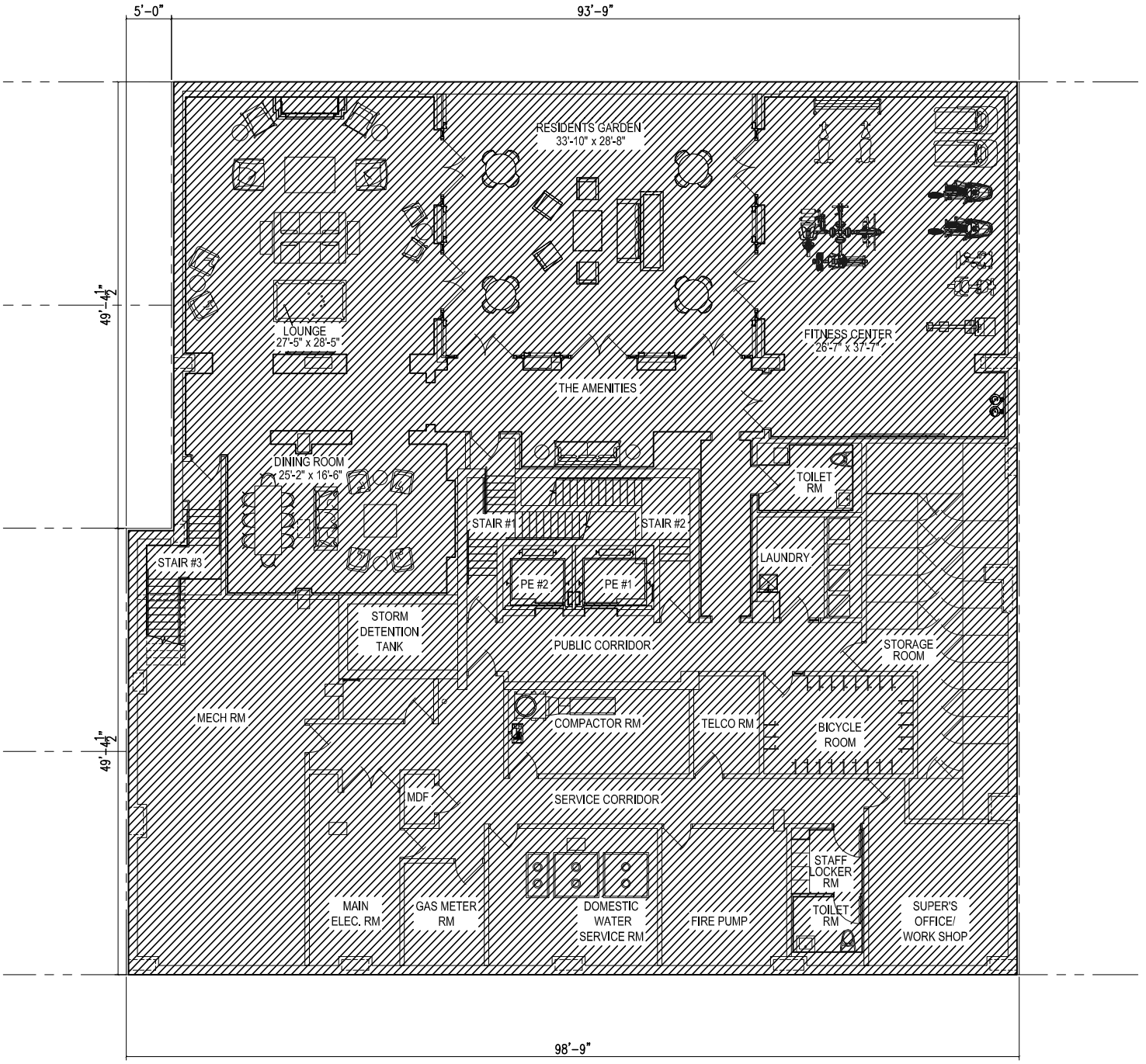
CELLAR

UNIT

COMMON ELEMENT

261 W 25 STREET

NEW YORK, NEW YORK 10001



0 1 5 10

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N

1ST FLOOR

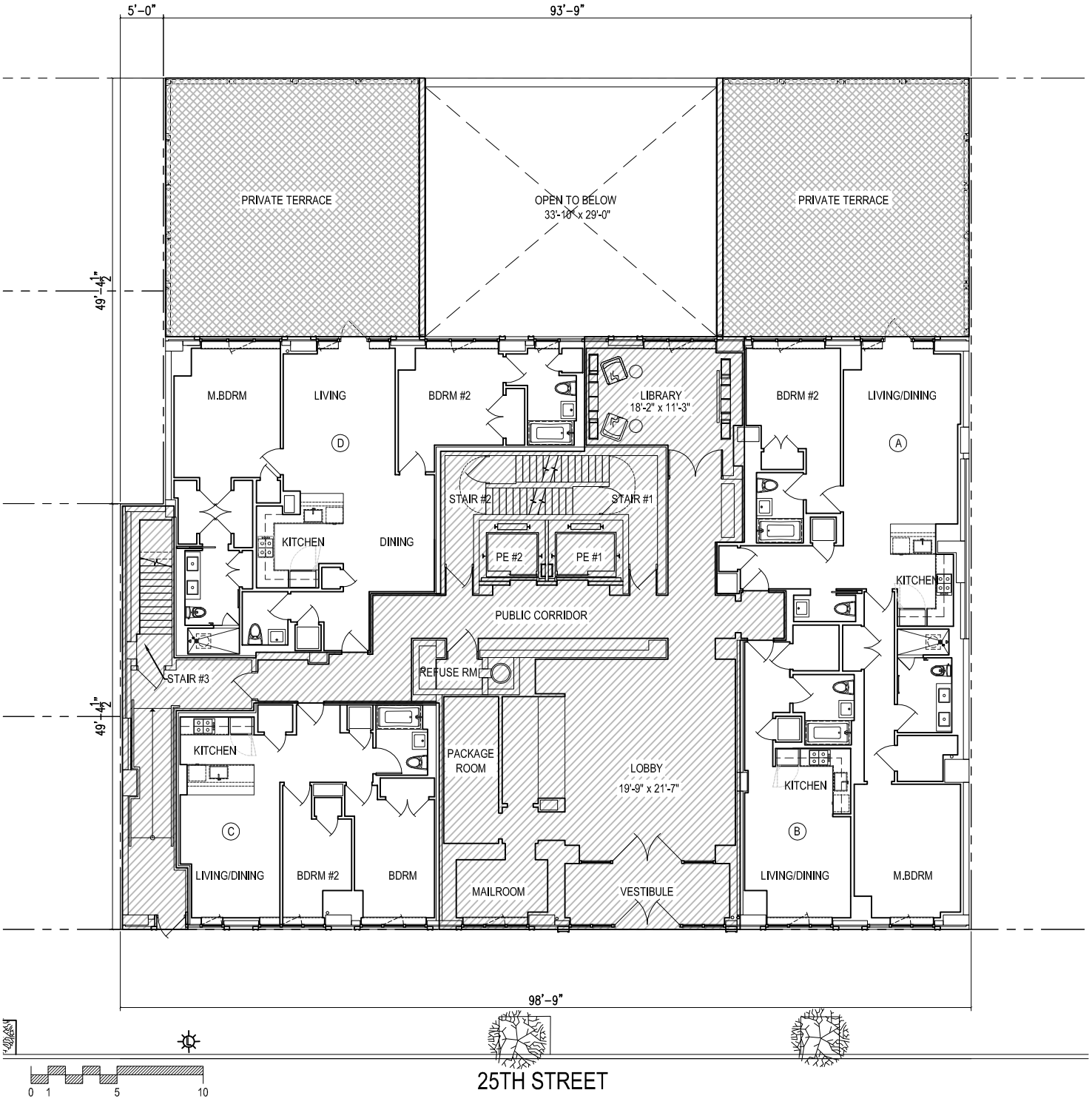
UNIT

COMMON ELEMENT

LIMITED COMMON ELEMENT

261 W 25 STREET

NEW YORK, NEW YORK 10001



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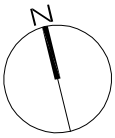


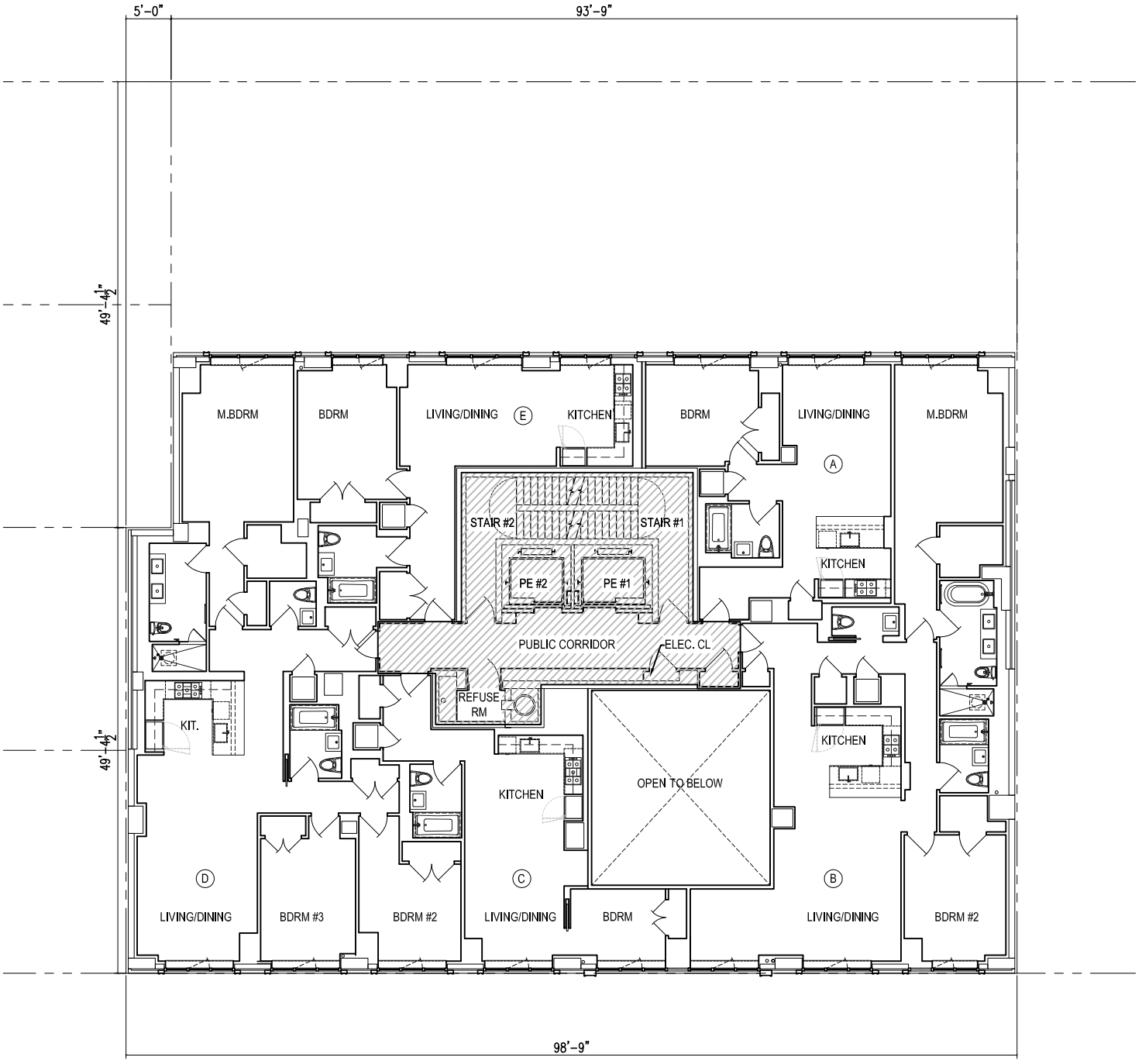
2ND FLOOR

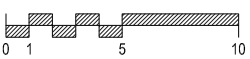
UNIT

COMMON ELEMENT

261 W 25 STREET

NEW YORK, NEW YORK 10001





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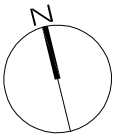


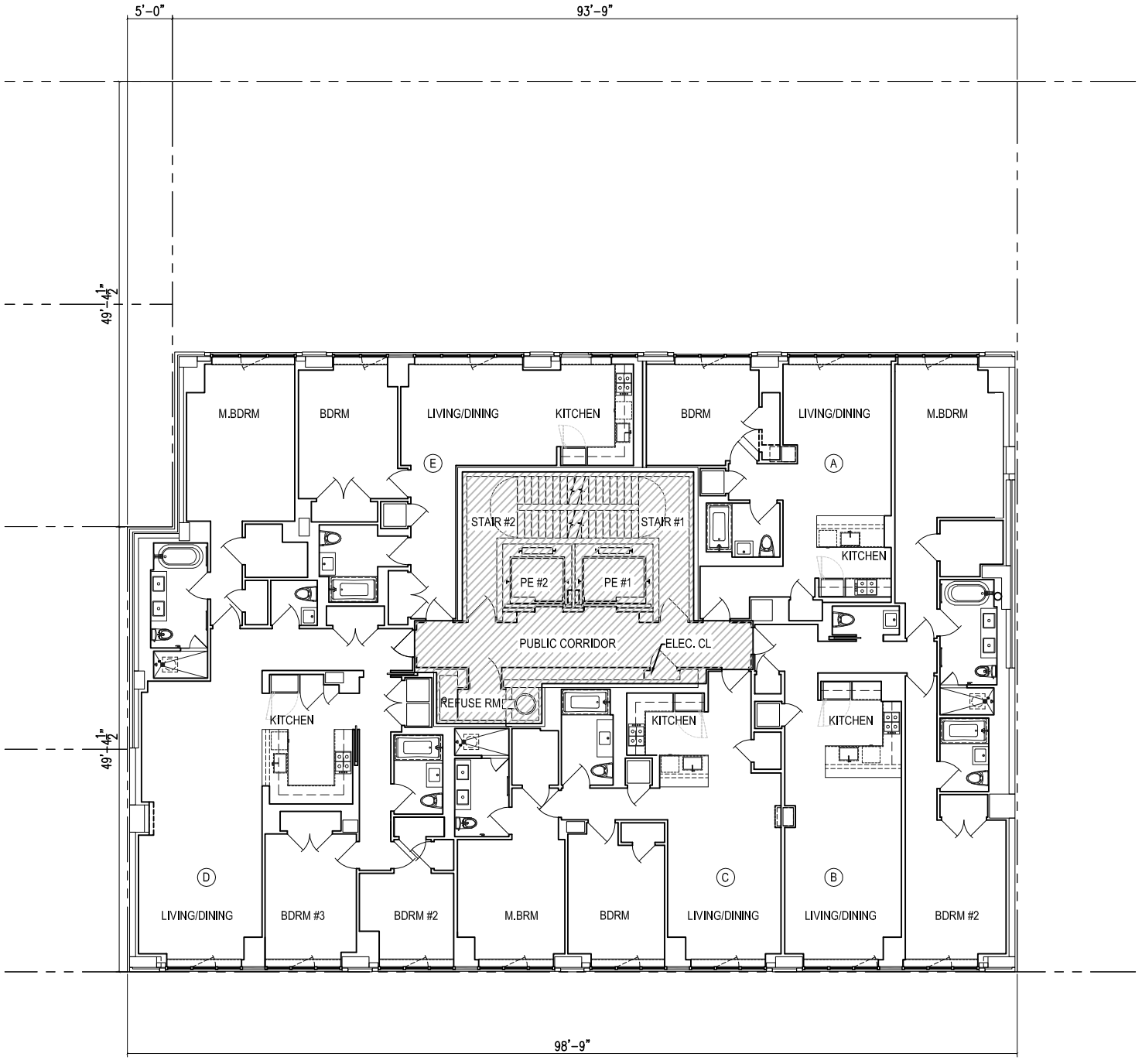
3RD FLOOR

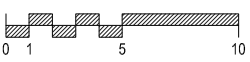
UNIT

COMMON ELEMENT

261 W 25 STREET

NEW YORK, NEW YORK 10001





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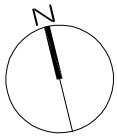


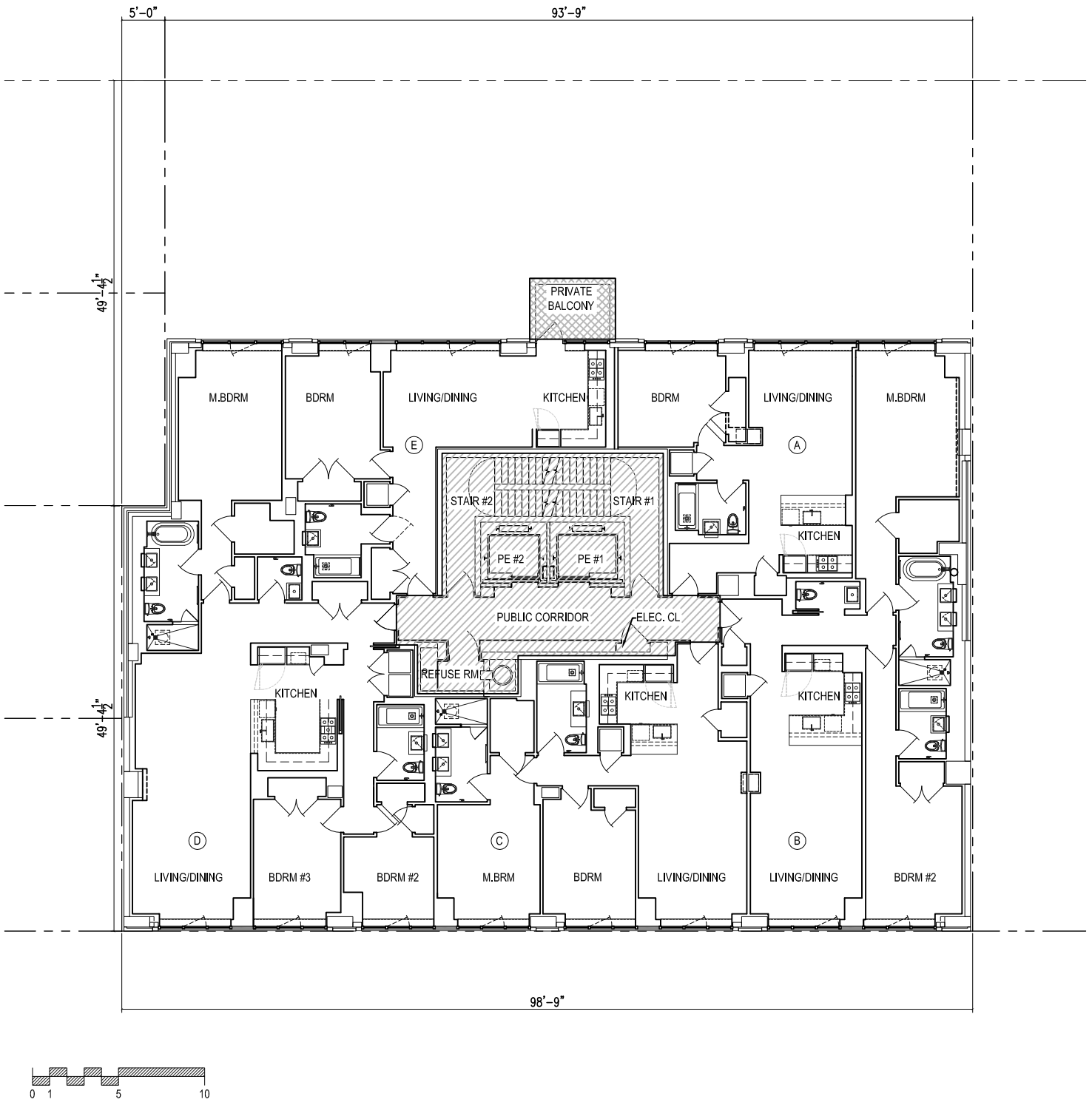
4TH FLOOR

261 W 25 STREET
NEW YORK, NEW YORK 10001

UNIT

COMMON ELEMENT

LIMITED COMMON ELEMENT



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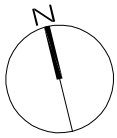


5TH-7TH FLOORS

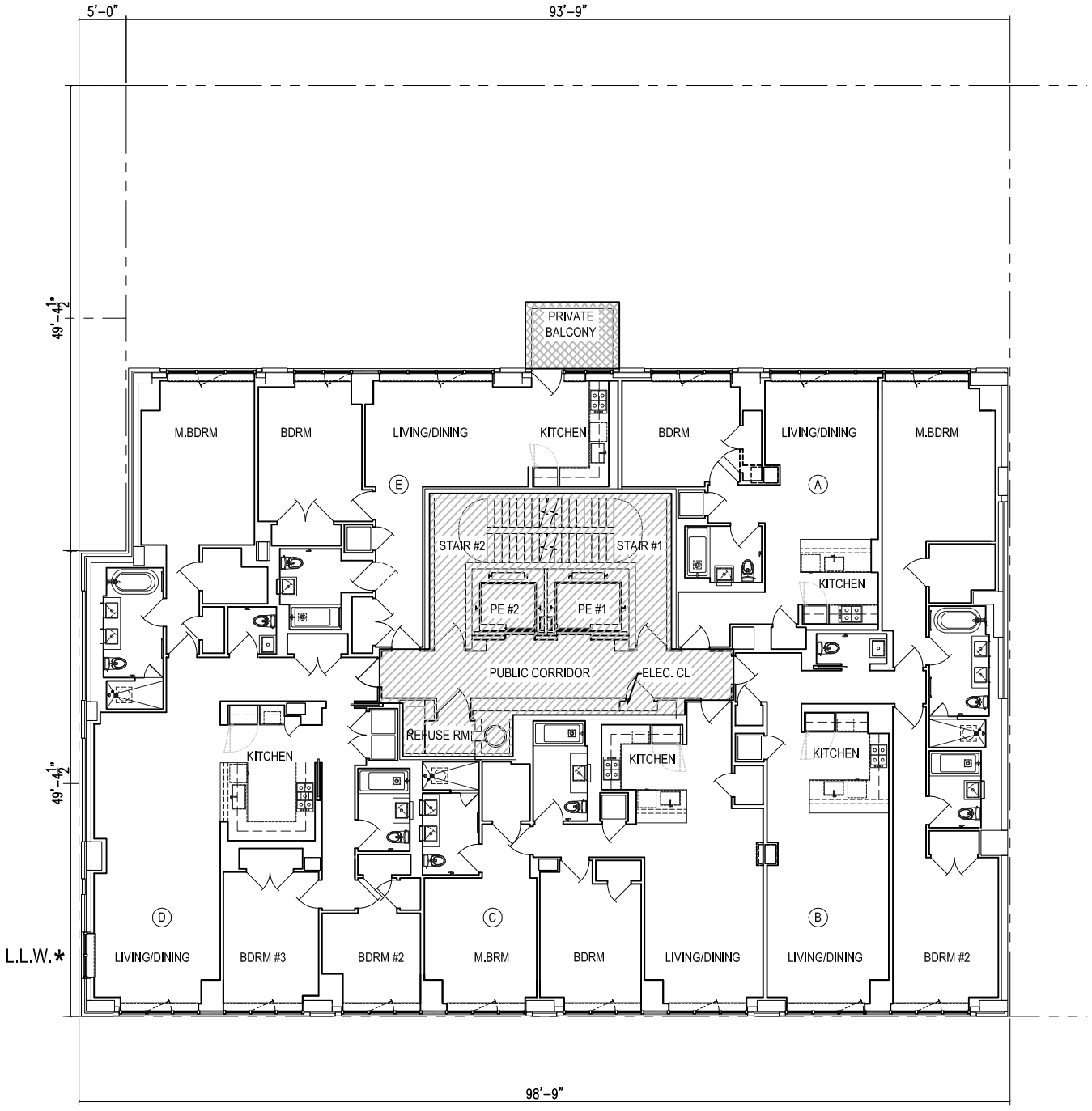
261 W 25 STREET
NEW YORK, NEW YORK 10001

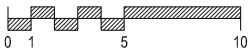
UNIT

COMMON ELEMENT

LIMITED COMMON ELEMENT

* LOT LINE WINDOW





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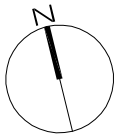


8TH FLOOR

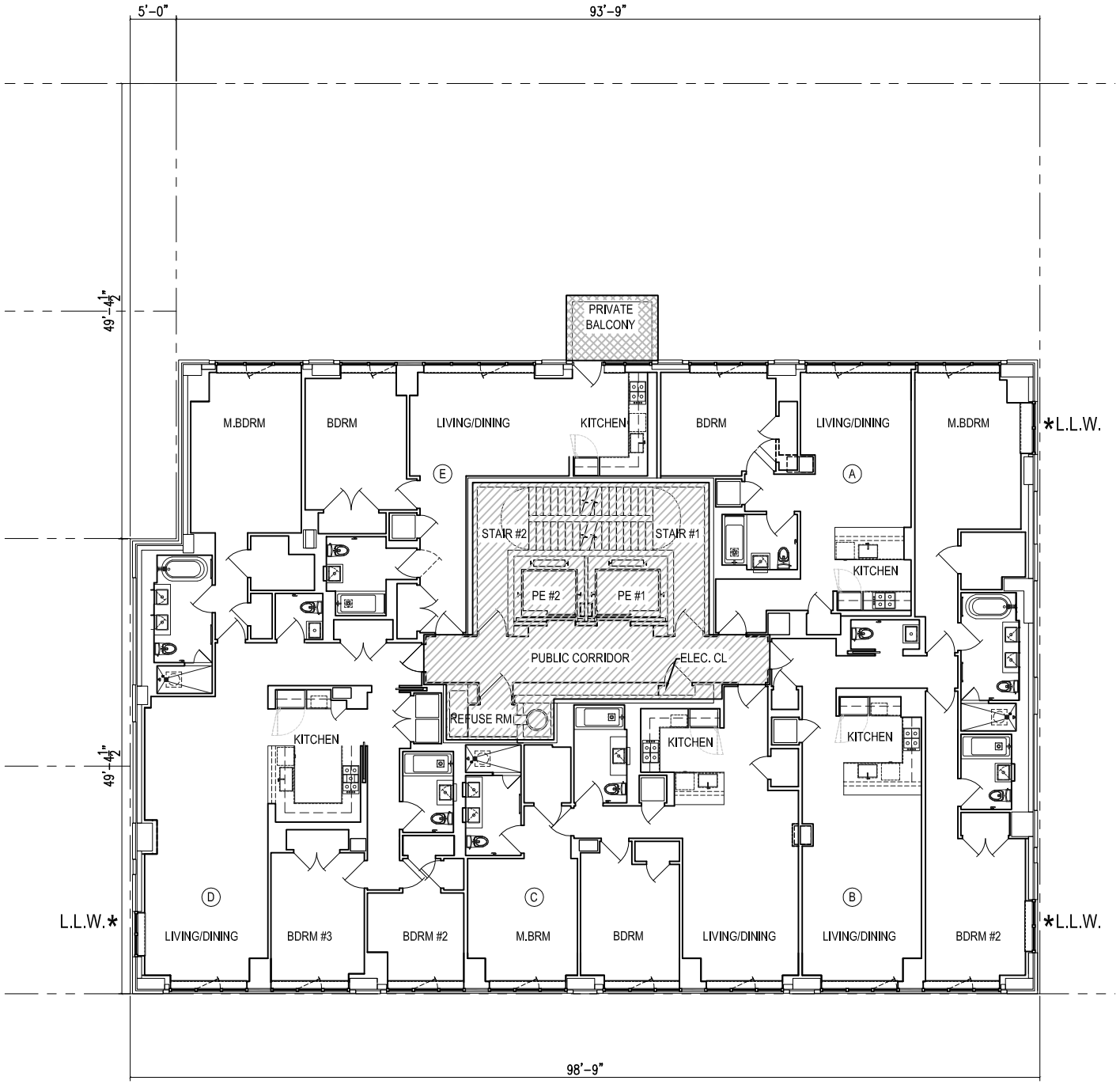
261 W 25 STREET
NEW YORK, NEW YORK 10001

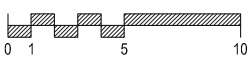
UNIT

COMMON ELEMENT

LIMITED COMMON ELEMENT

* LOT LINE WINDOW





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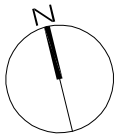


9TH FLOOR

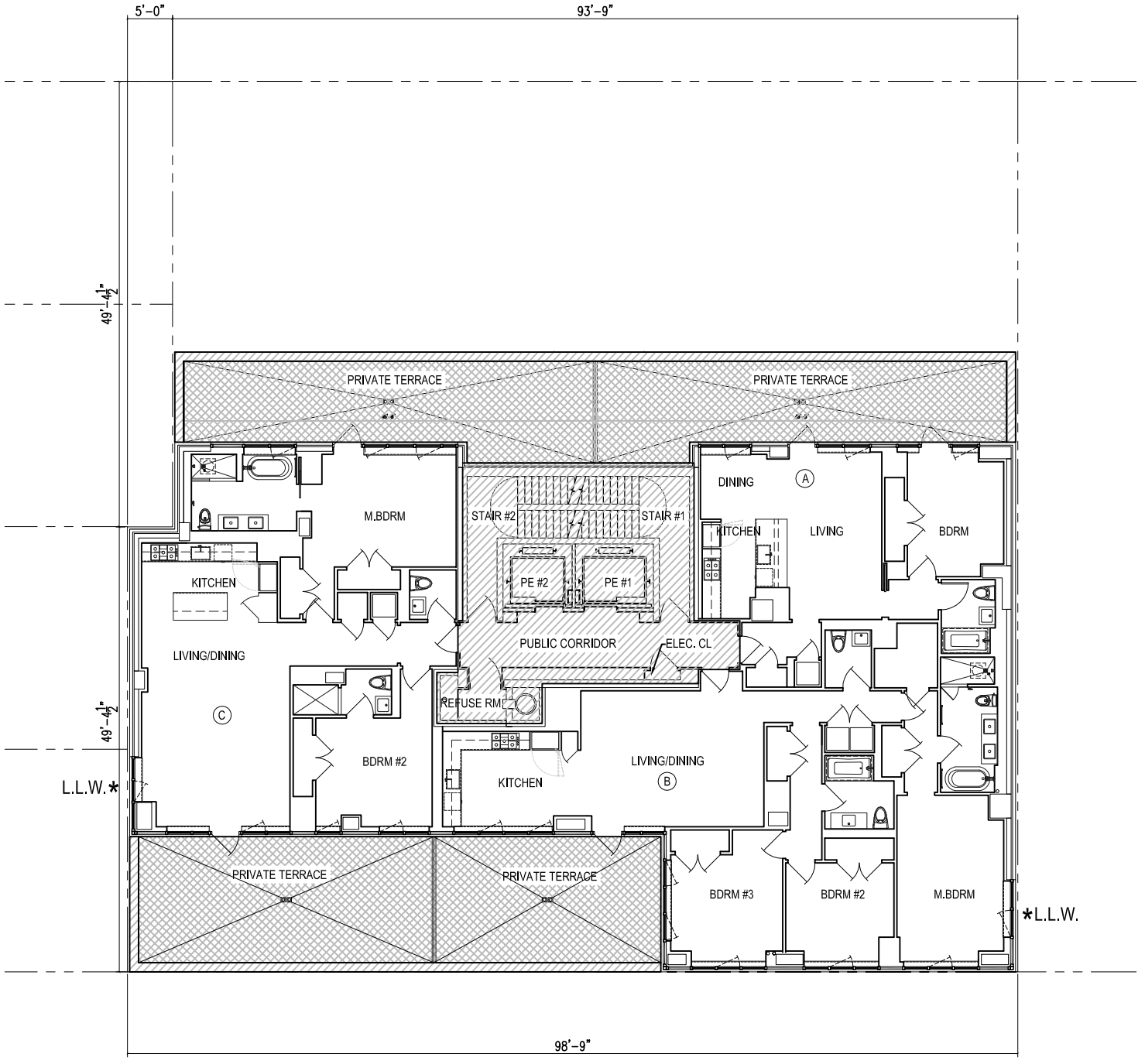
261 W 25 STREET
NEW YORK, NEW YORK 10001

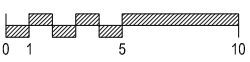
UNIT

COMMON ELEMENT

LIMITED COMMON ELEMENT

* LOT LINE WINDOW





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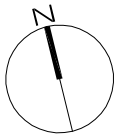


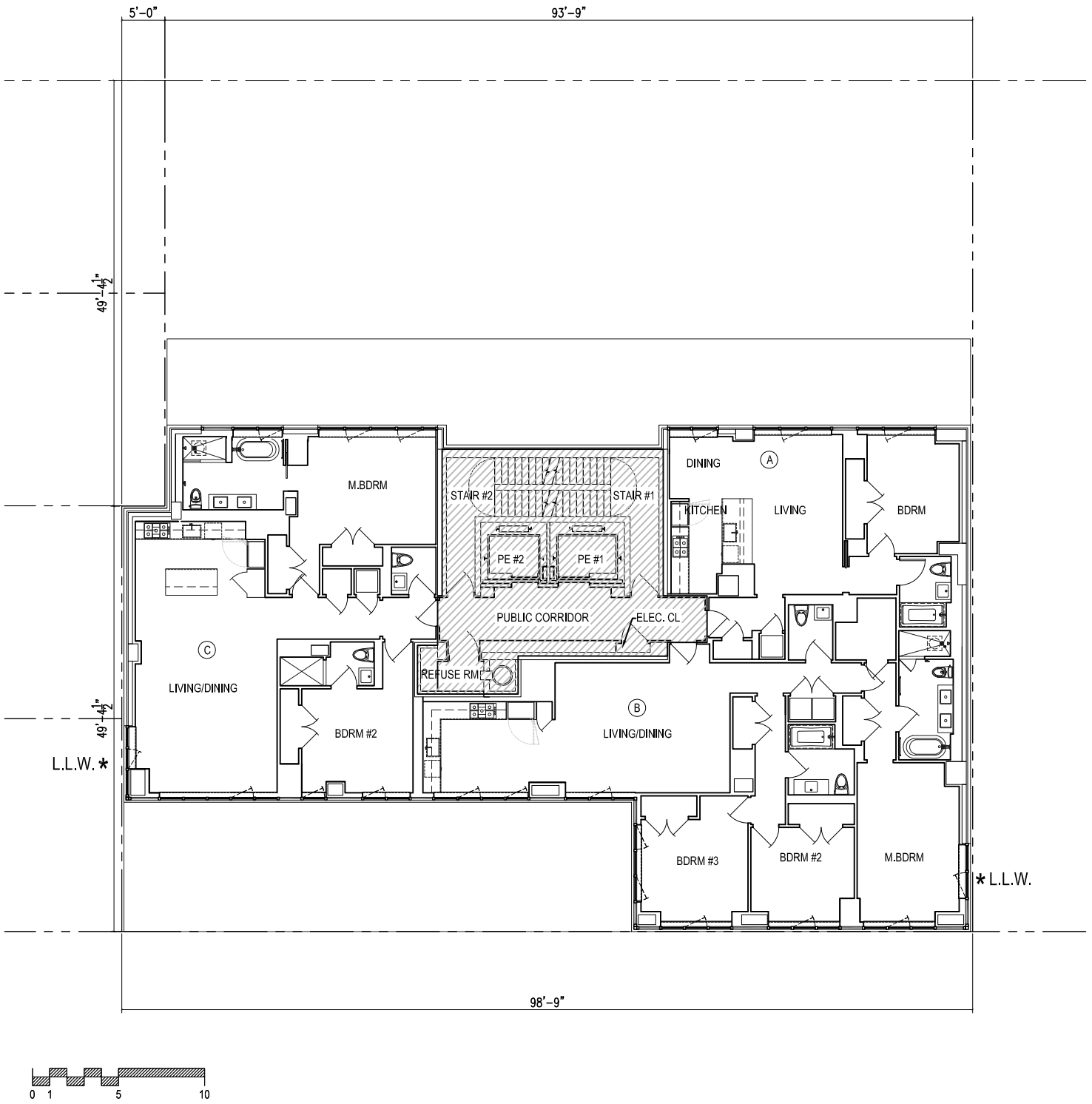
10TH FLOOR

261 W 25 STREET
NEW YORK, NEW YORK 10001

UNIT

COMMON ELEMENT

* LOT LINE WINDOW



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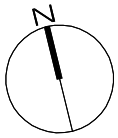


11TH FLOOR

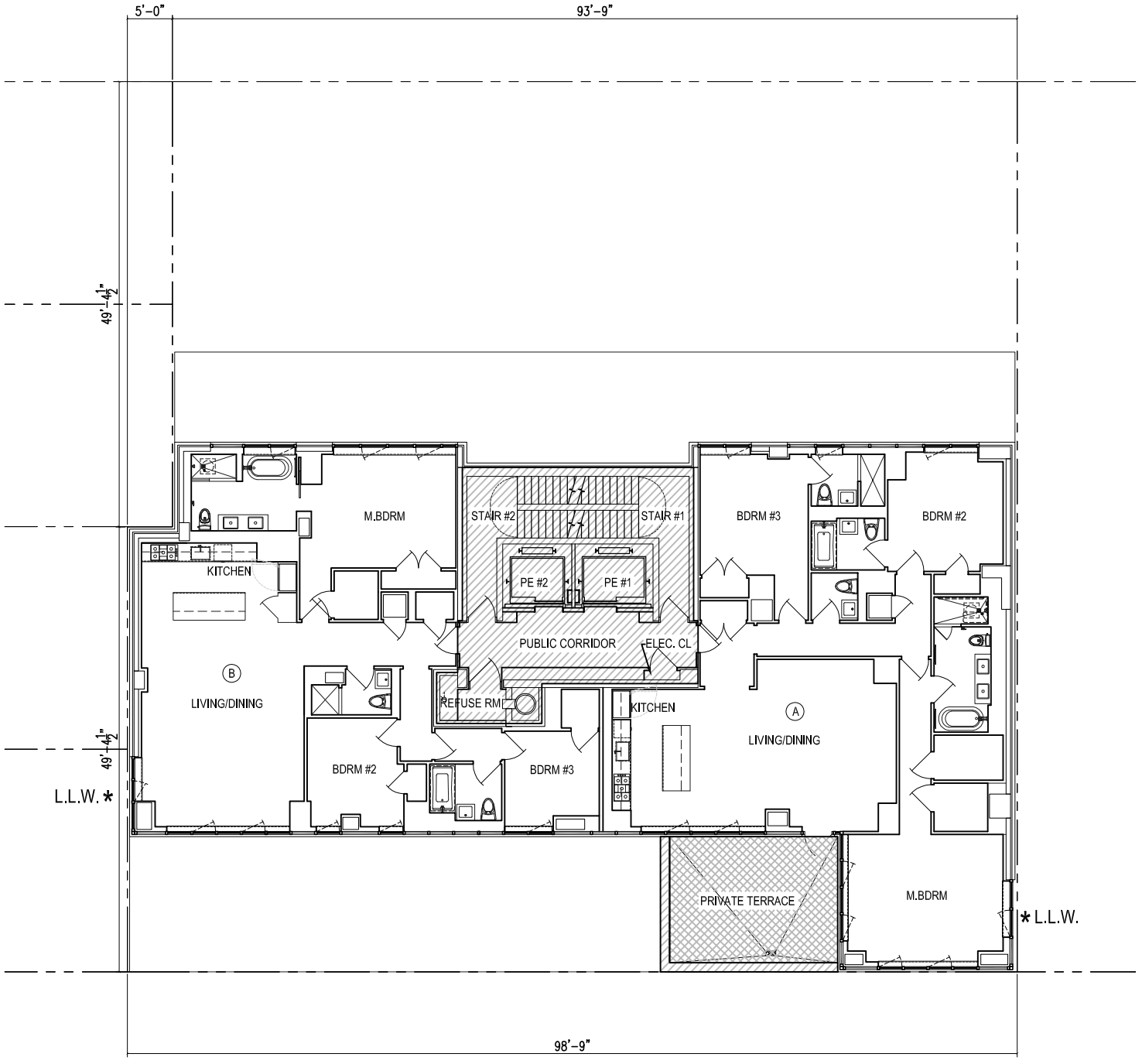
261 W 25 STREET
NEW YORK, NEW YORK 10001

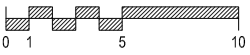
UNIT

COMMON ELEMENT

LIMITED COMMON ELEMENT

* LOT LINE WINDOW





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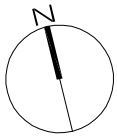


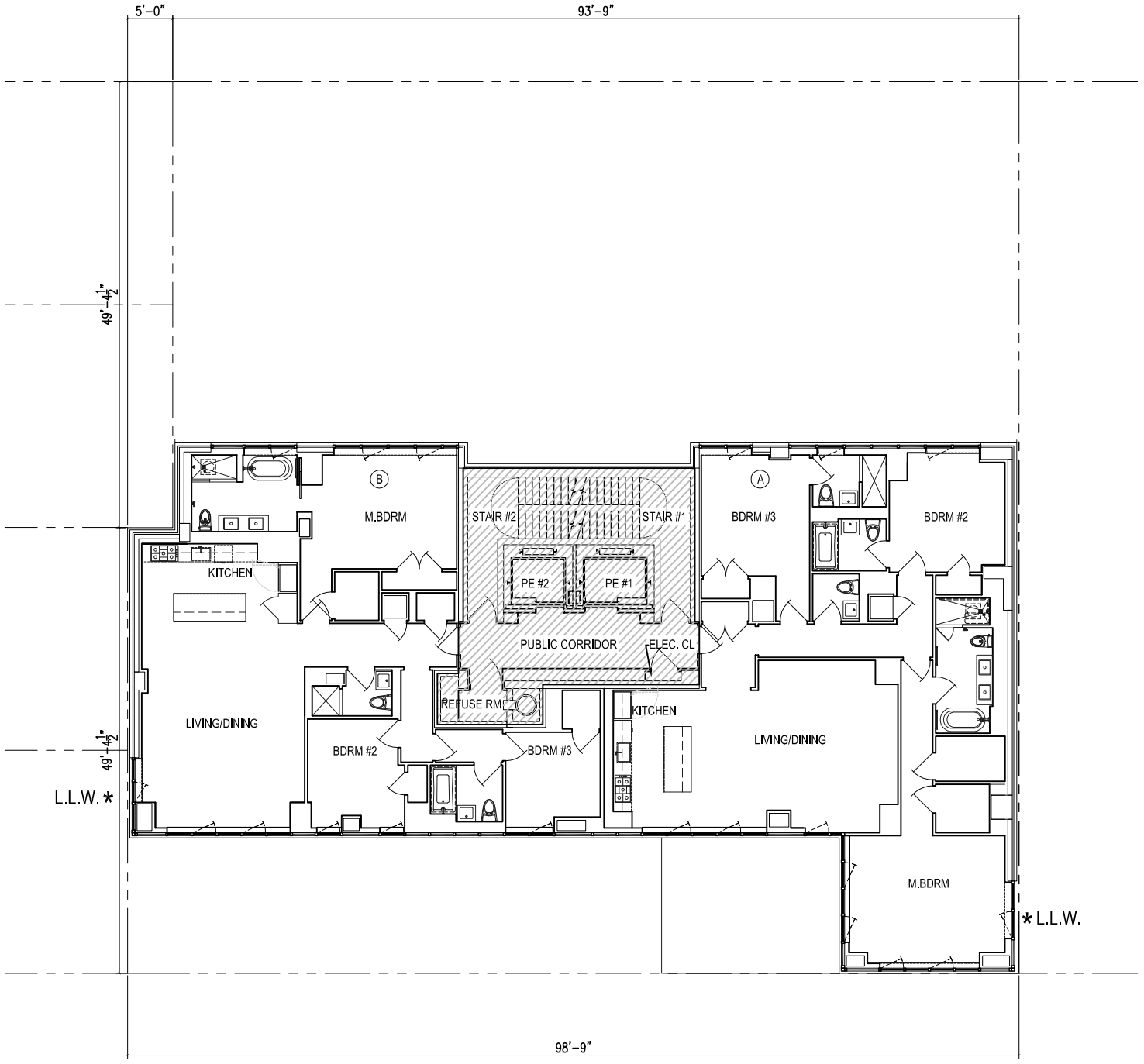
PENTHOUSE FLOOR

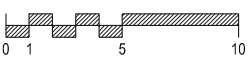
261 W 25 STREET
NEW YORK, NEW YORK 10001

UNIT

COMMON ELEMENT

* LOT LINE WINDOW





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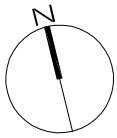


ROOF

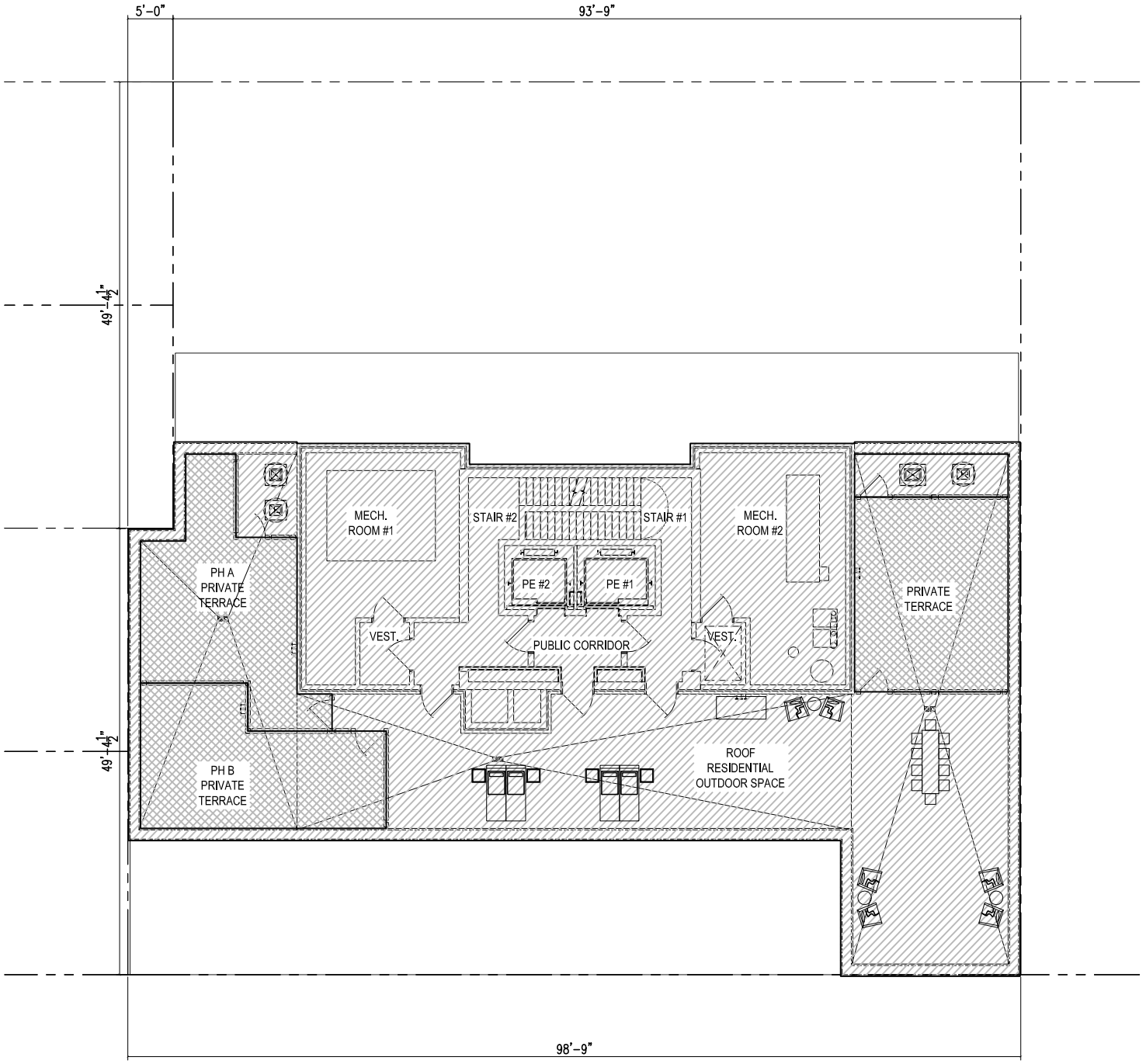
UNIT

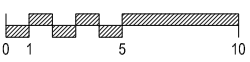
COMMON ELEMENT

LIMITED COMMON ELEMENT

261 W 25 STREET

NEW YORK, NEW YORK 10001





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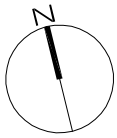


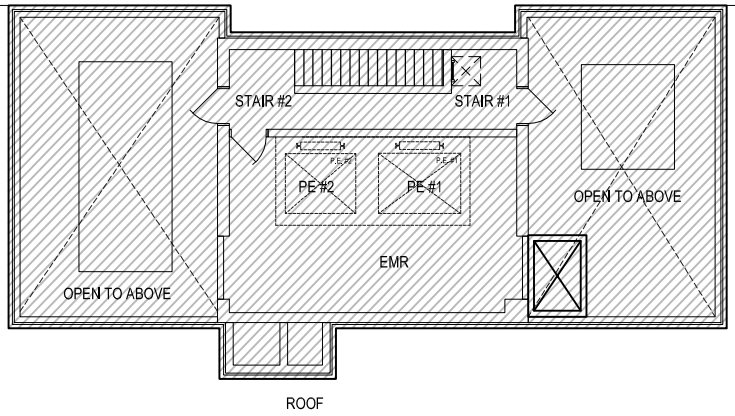
EMR LEVEL

UNIT

COMMON ELEMENT

261 W 25 STREET

NEW YORK, NEW YORK 10001



0 1 5 10

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N

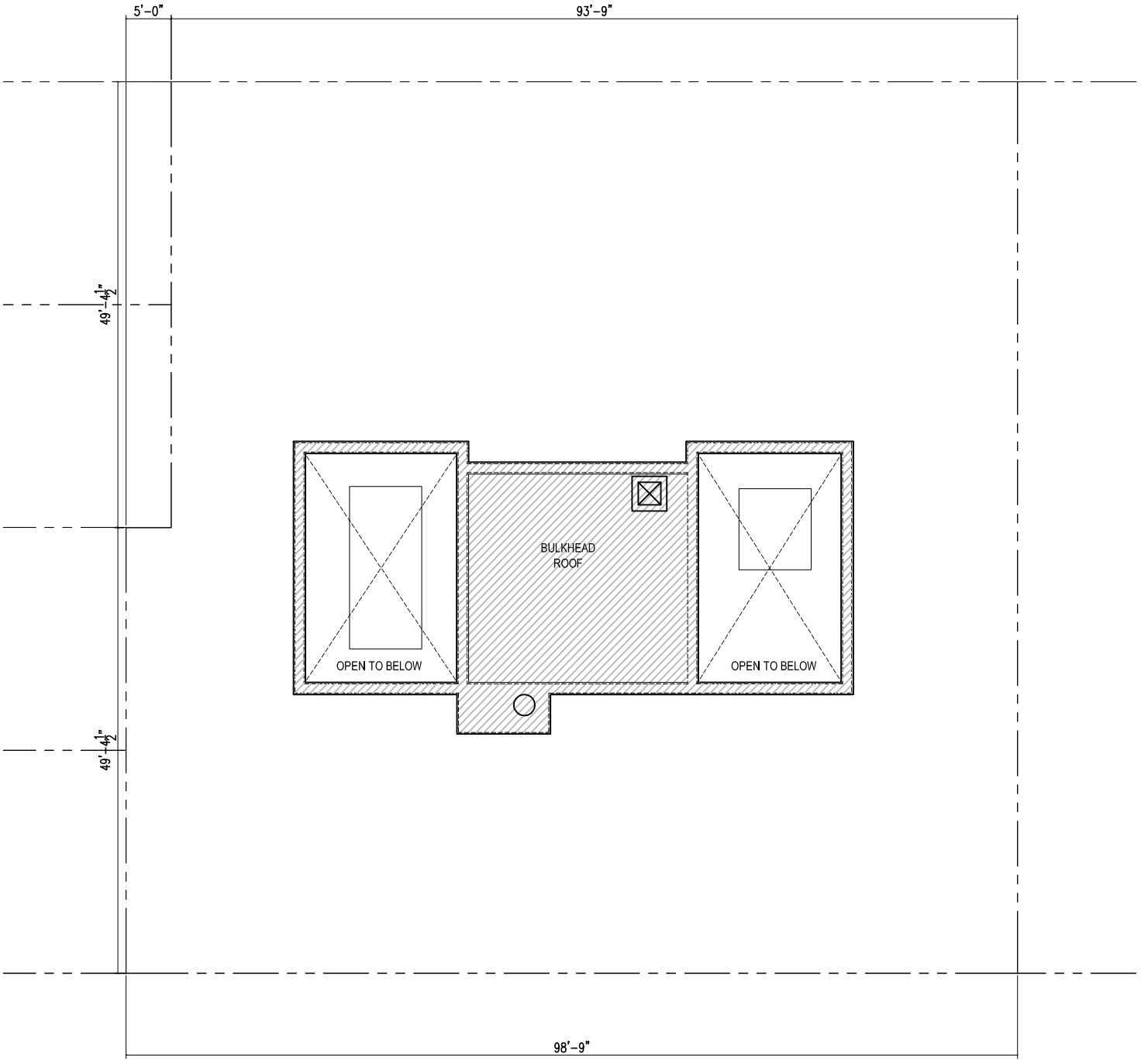
BULKHEAD ROOF

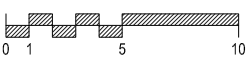
UNIT

COMMON ELEMENT

261 W 25 STREET

NEW YORK, NEW YORK 10001





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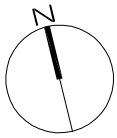
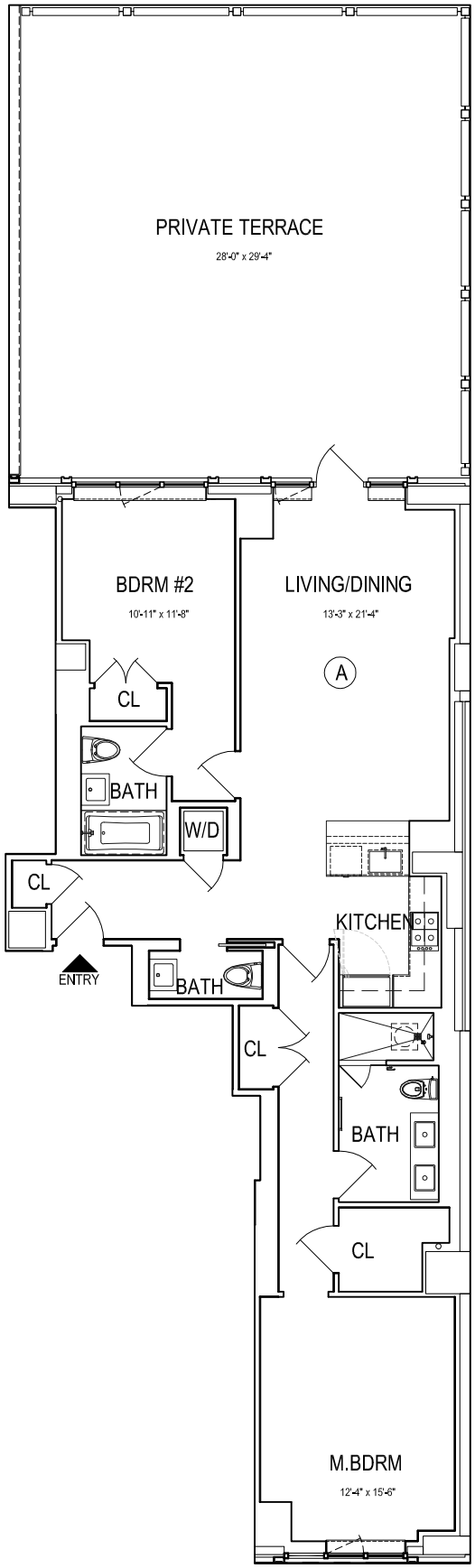


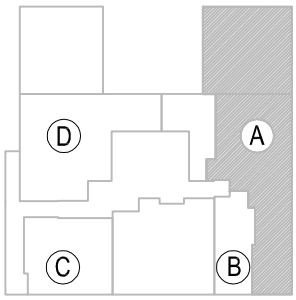
RESIDENCE 1A

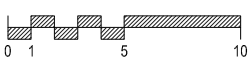
2 BEDROOM
2.5 BATH
1348 S.F.
858 S.F. TERRACE

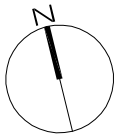
261 W 25 STREET

NEW YORK, NEW YORK 10001









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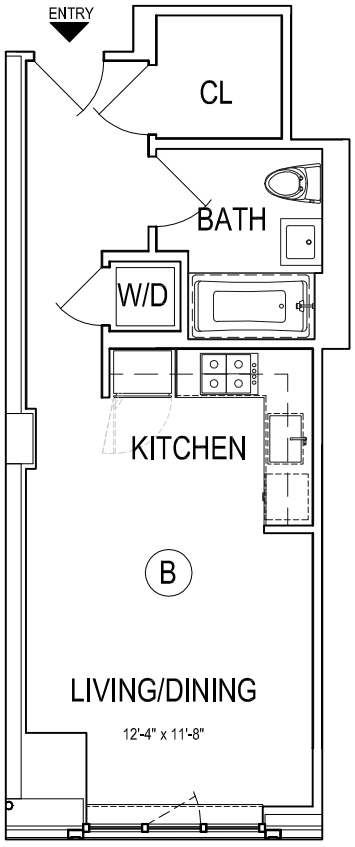
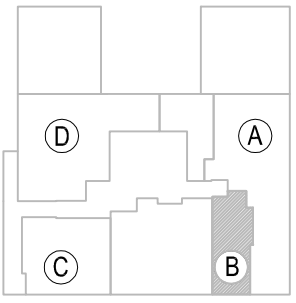
RESIDENCE 1B

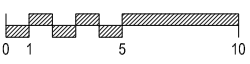
0 BEDROOM
1 BATH
457 S.F.

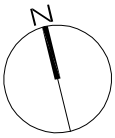
261 W 25 STREET

NEW YORK, NEW YORK 10001









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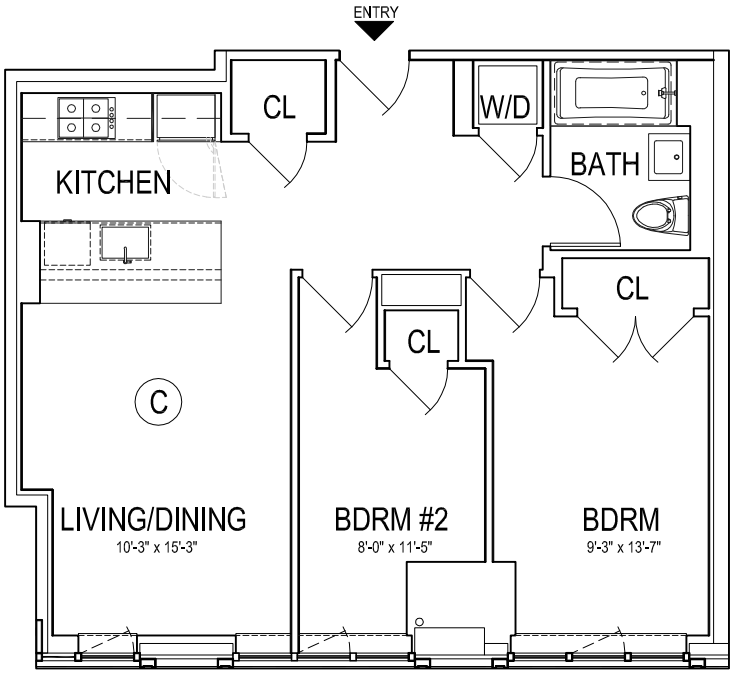
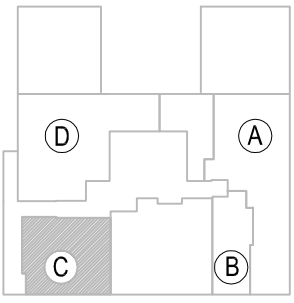
RESIDENCE 1C

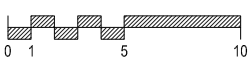
2 BEDROOM
1BATH
783 S.F.

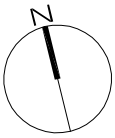
261 W 25 STREET

NEW YORK, NEW YORK 10001









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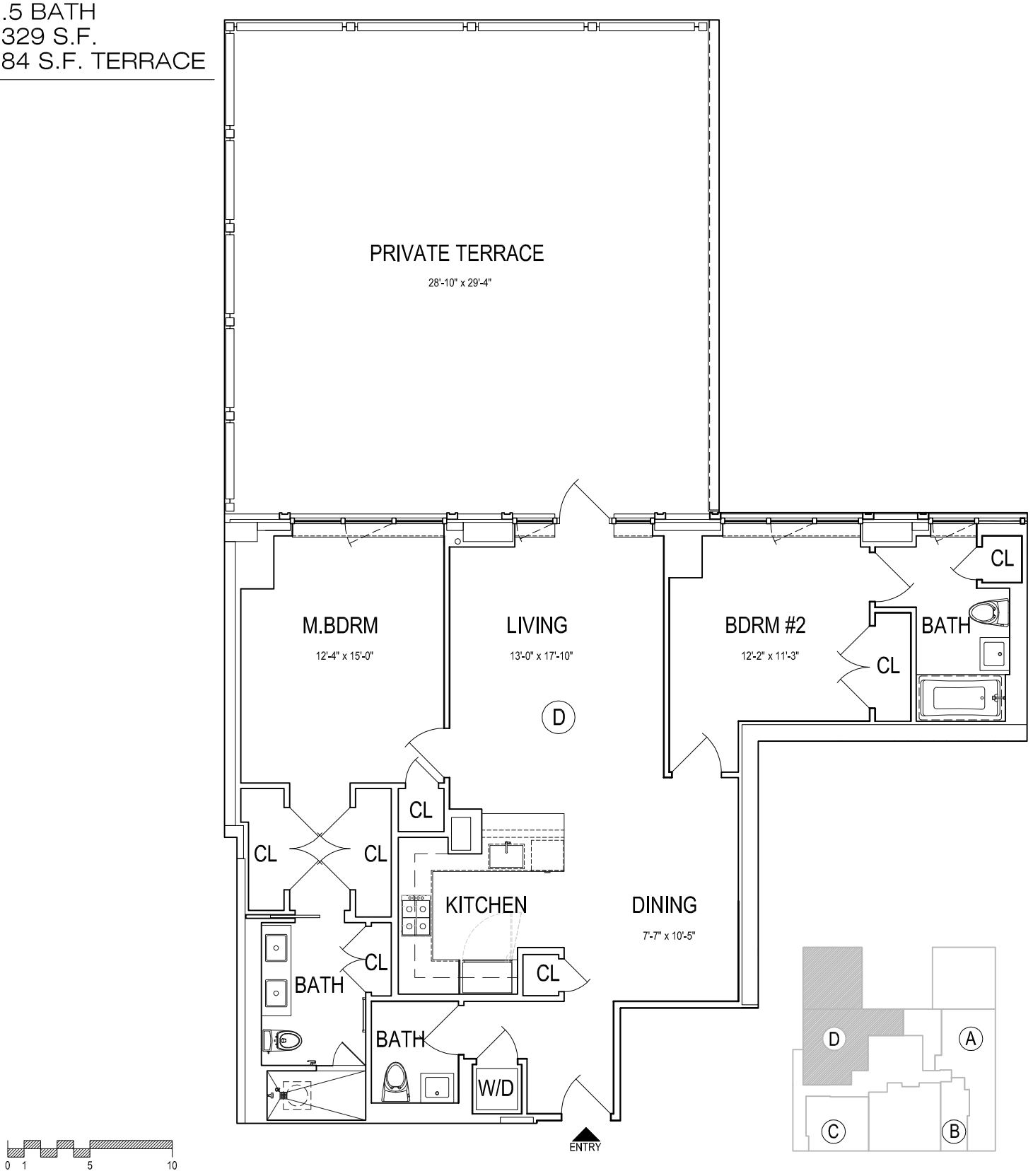
RESIDENCE 1D

2 BEDROOM
2.5 BATH
1329 S.F.
884 S.F. TERRACE

261 W 25 STREET

NEW YORK, NEW YORK 10001



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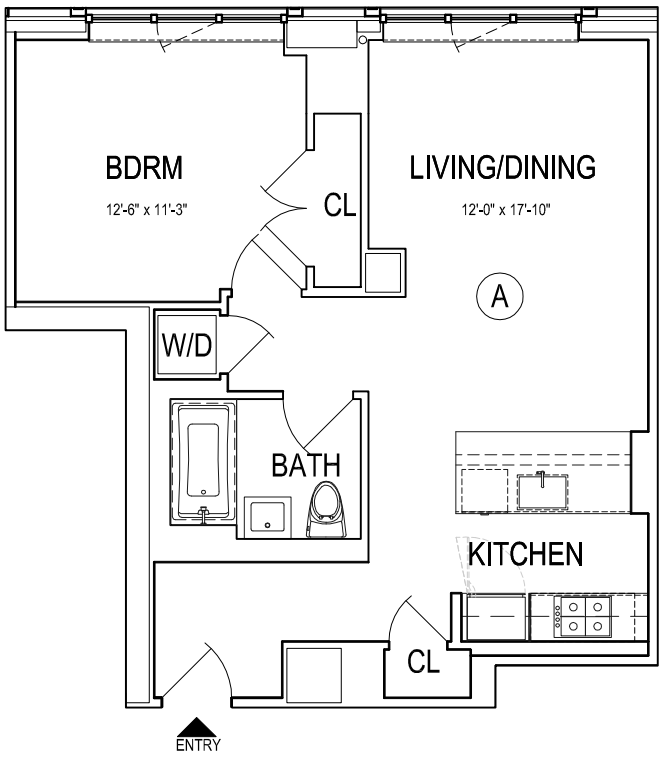
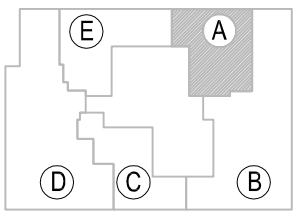
RESIDENCE 2A-8A

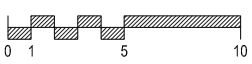
1 BEDROOM
1 BATH
718 S.F. 2A
720 S.F. 3A-8A

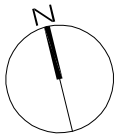
261 W 25 STREET

NEW YORK, NEW YORK 10001









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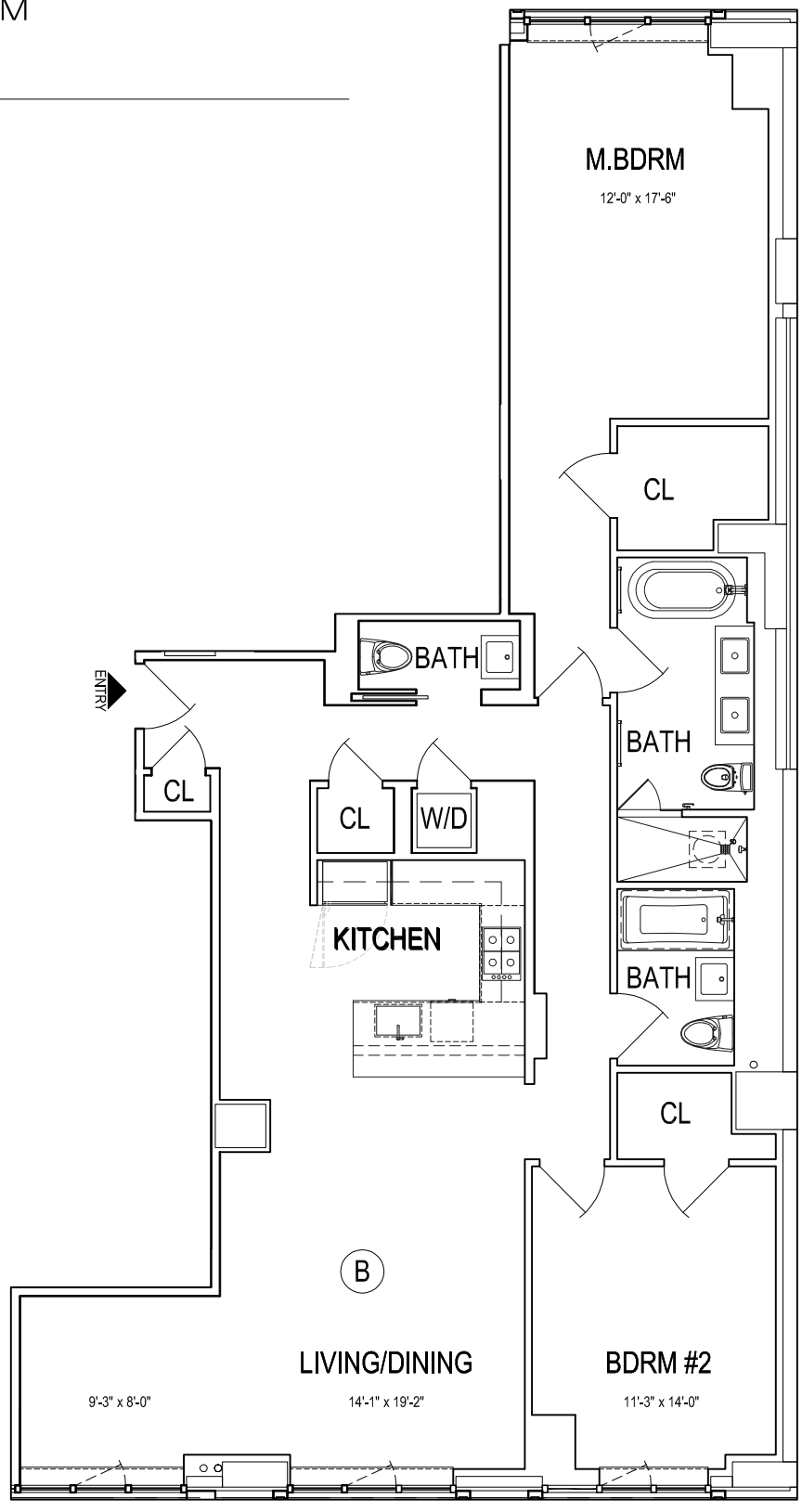
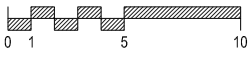
RESIDENCE 2B

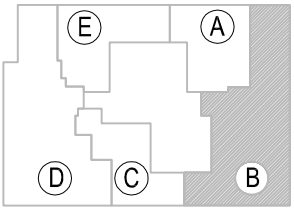
2 BEDROOM
2.5 BATH
1580 S.F.

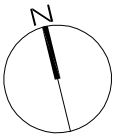
261 W 25 STREET

NEW YORK, NEW YORK 10001









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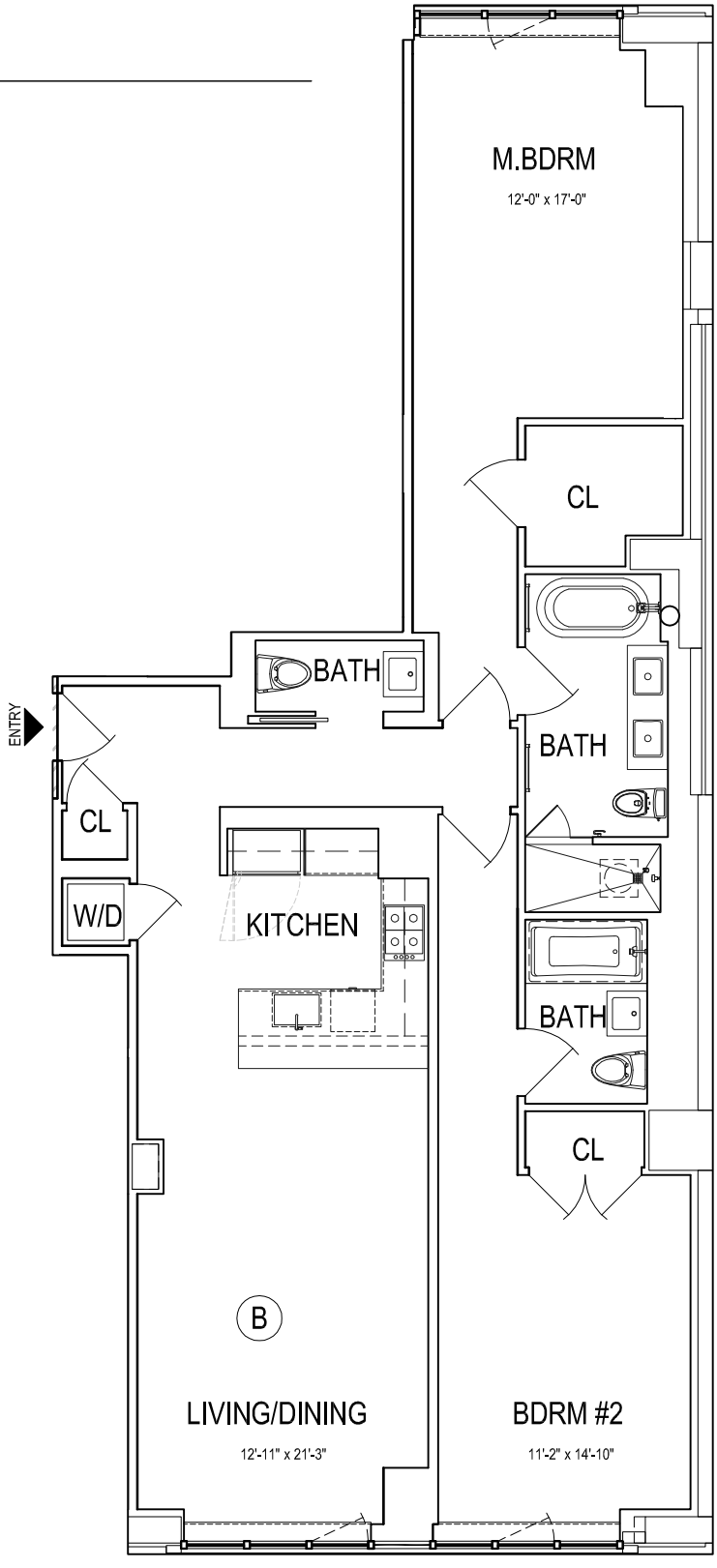
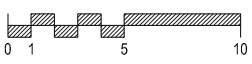
RESIDENCE 3B-7B

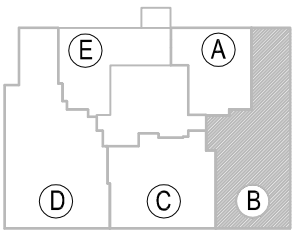
2 BEDROOM
2.5 BATH
1459 S.F.

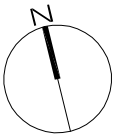
261 W 25 STREET

NEW YORK, NEW YORK 10001









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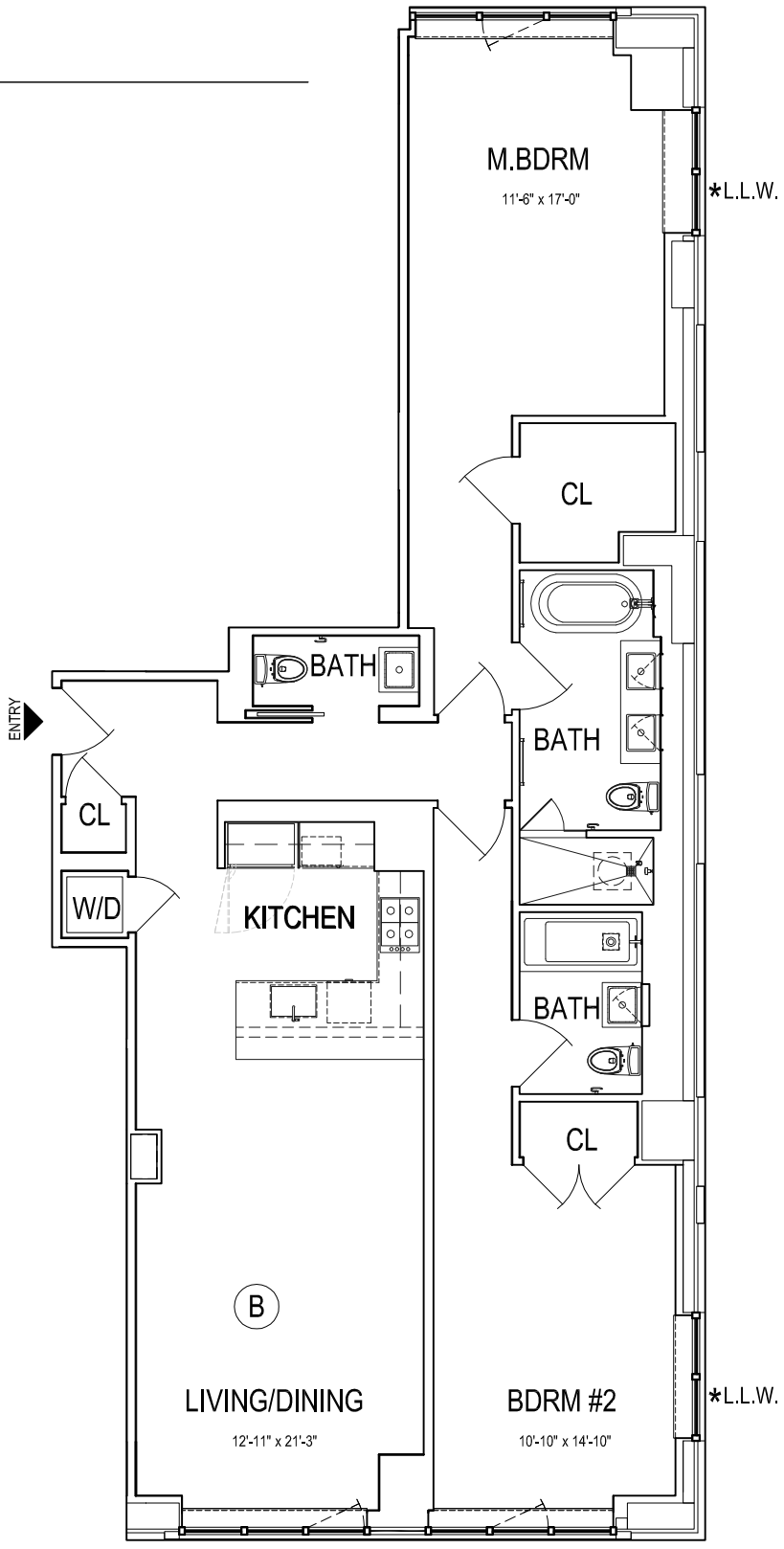
RESIDENCE 8B

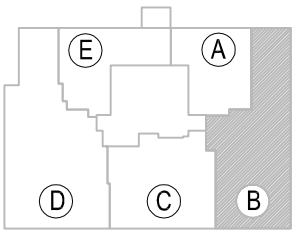
2 BEDROOM
2.5 BATH
1459 S.F.

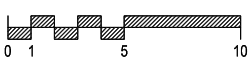
* LOT LINE WINDOW

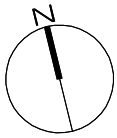
261 W 25 STREET

NEW YORK, NEW YORK 10001









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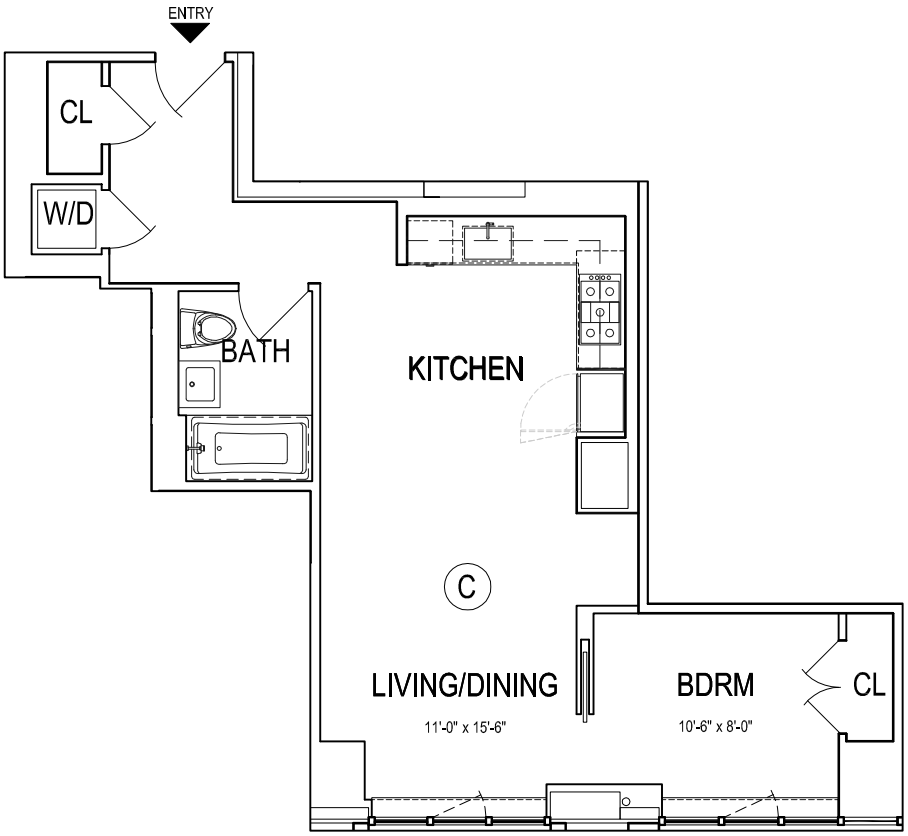
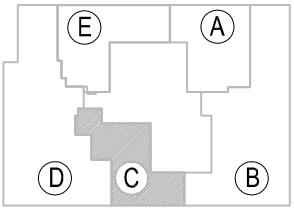
RESIDENCE 2C

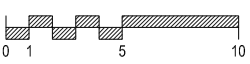
1 BEDROOM
1 BATH
652 S.F.

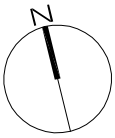
261 W 25 STREET

NEW YORK, NEW YORK 10001









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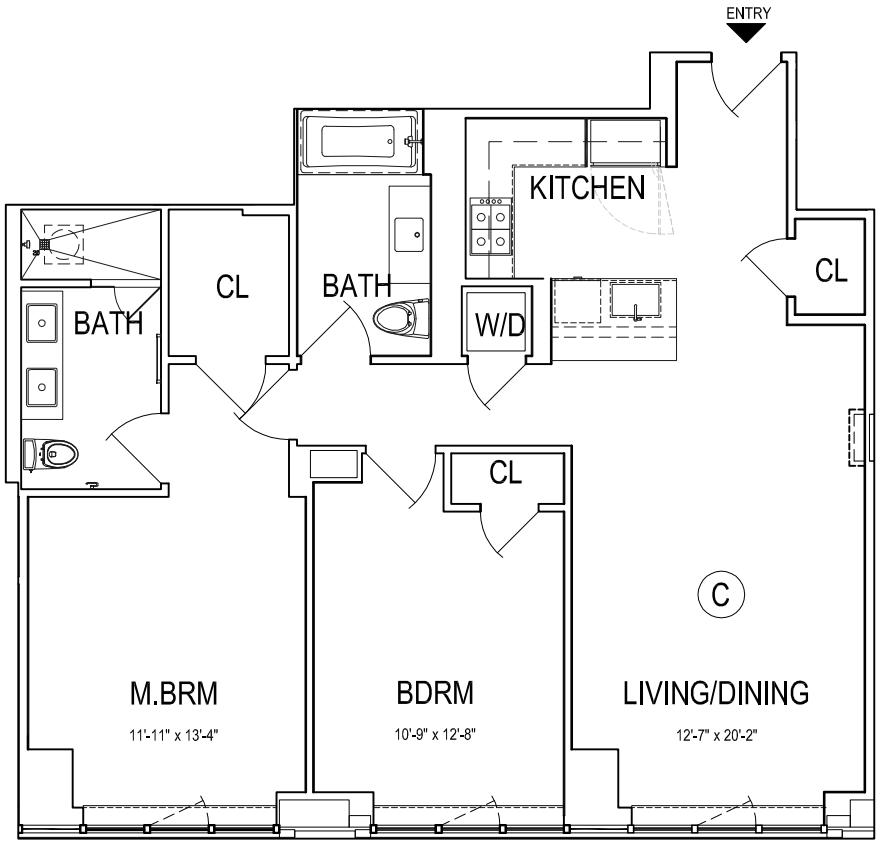
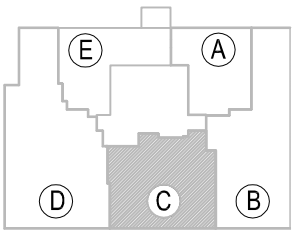
RESIDENCE 3C-8C

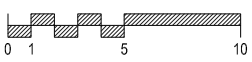
2 BEDROOM
2 BATH
1122 S.F.

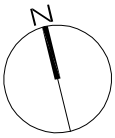
261 W 25 STREET

NEW YORK, NEW YORK 10001









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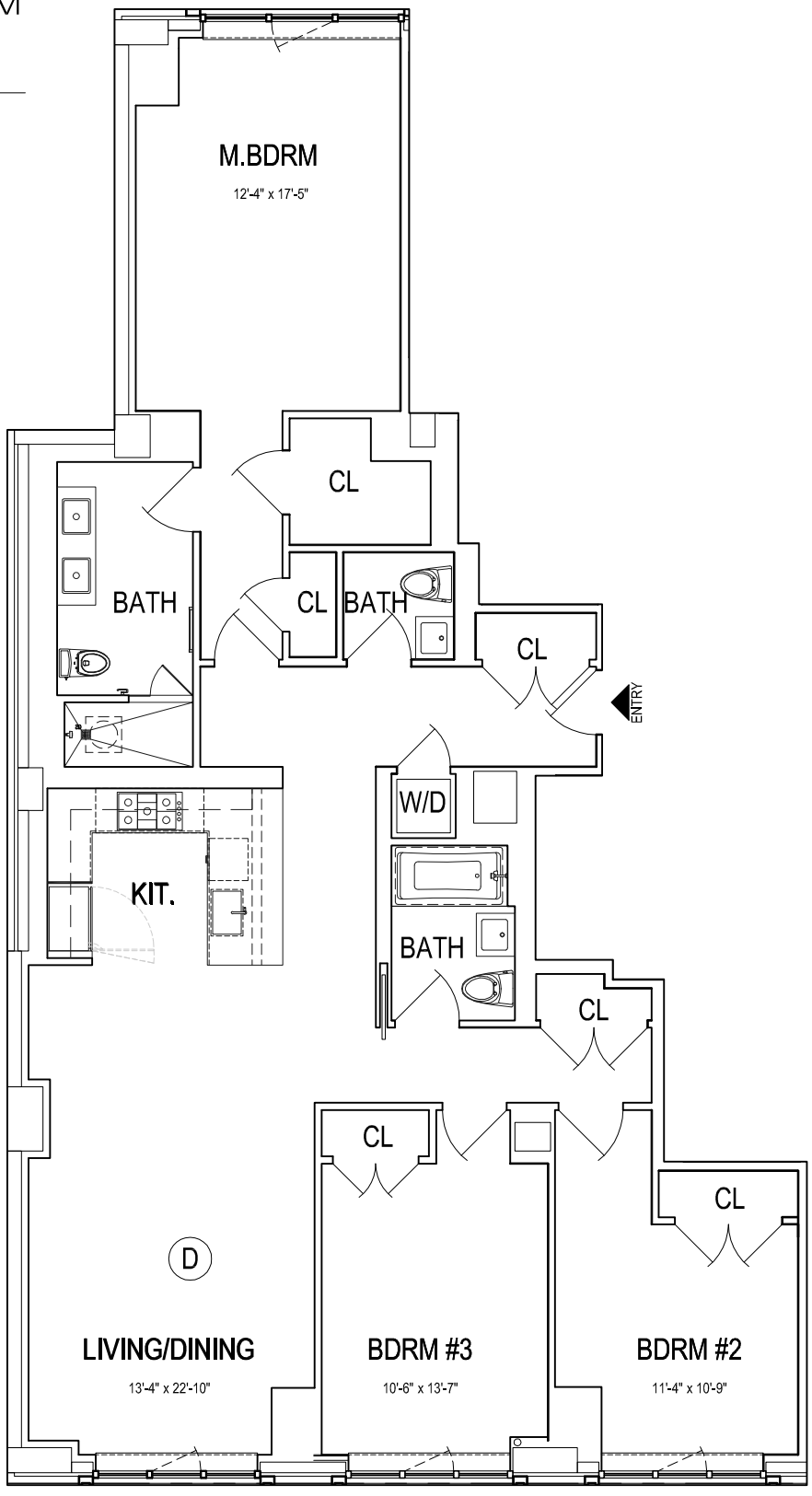
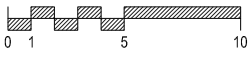
RESIDENCE 2D

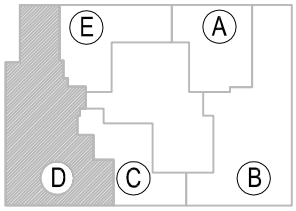
3 BEDROOM
2.5 BATH
1,701 S.F.

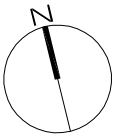
261 W 25 STREET

NEW YORK, NEW YORK 10001









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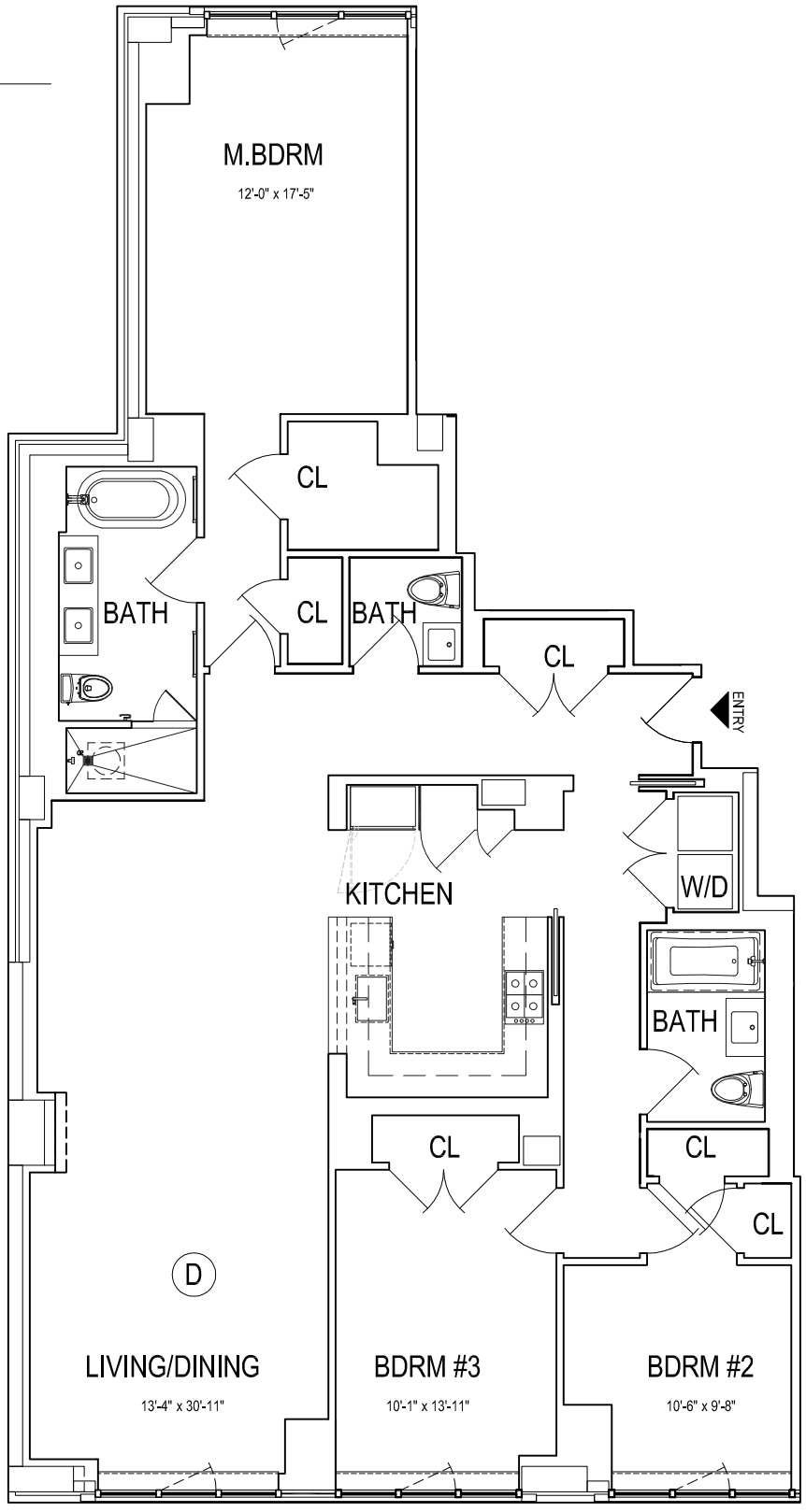
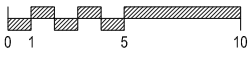
RESIDENCE 3D-4D

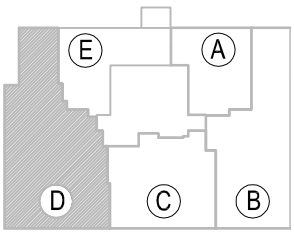
3 BEDROOM
2.5 BATH
1849 S.F.

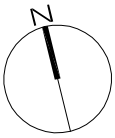
261 W 25 STREET

NEW YORK, NEW YORK 10001









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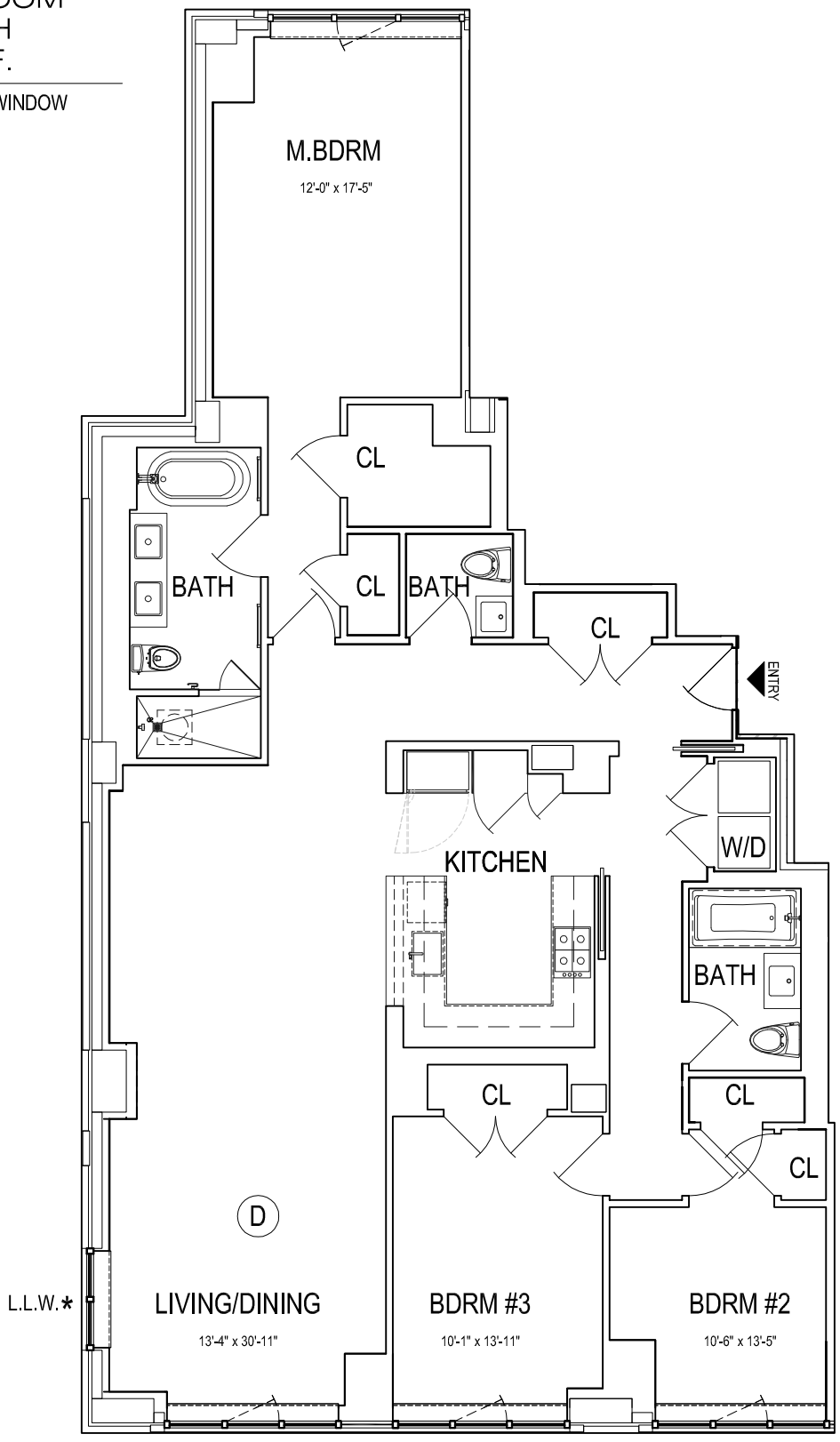
RESIDENCE 5D-8D

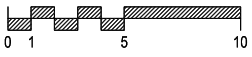
3 BEDROOM
2.5 BATH
1849 S.F.

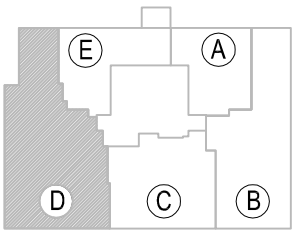
* LOT LINE WINDOW

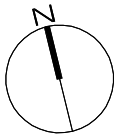
261 W 25 STREET

NEW YORK, NEW YORK 10001









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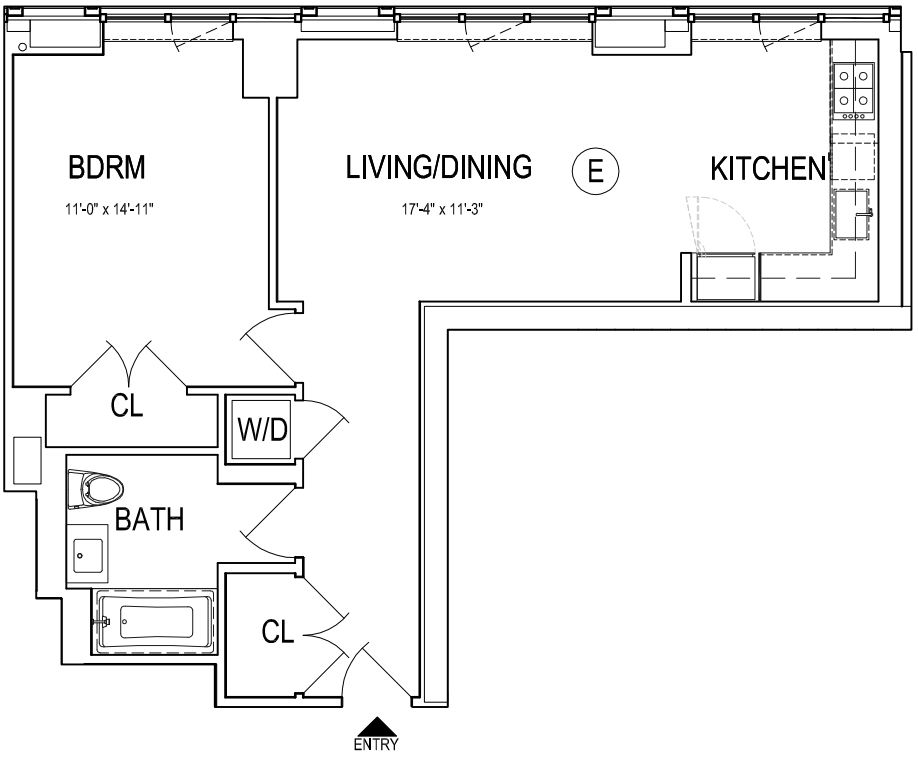
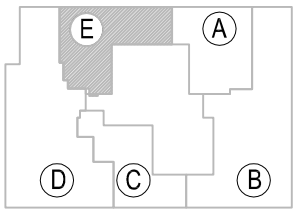
RESIDENCE 2E-3E

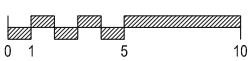
1 BEDROOM
1 BATH
783 S.F.

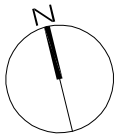
261 W 25 STREET

NEW YORK, NEW YORK 10001









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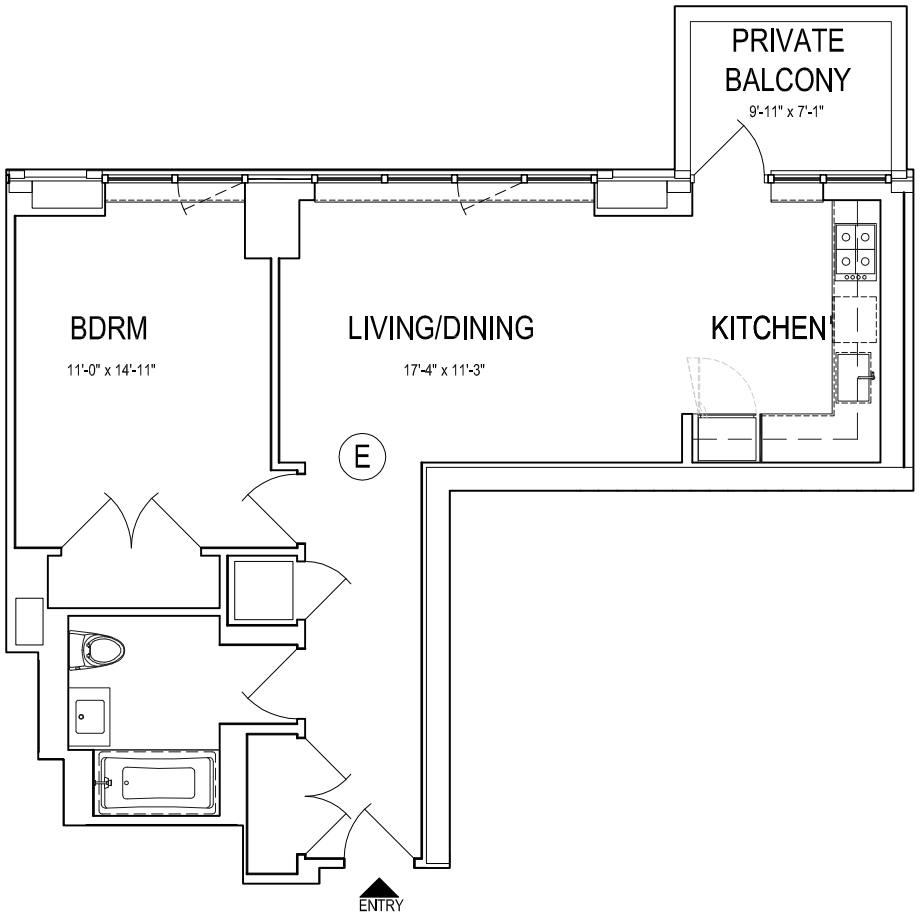
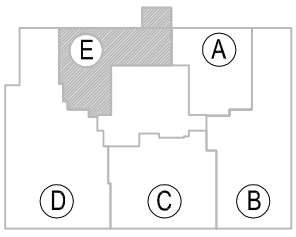
RESIDENCE 4E-8E

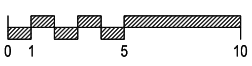
1 BEDROOM
1 BATH
783 S.F.
70 S.F. BALCONY

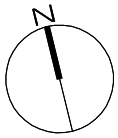
261 W 25 STREET

NEW YORK, NEW YORK 10001









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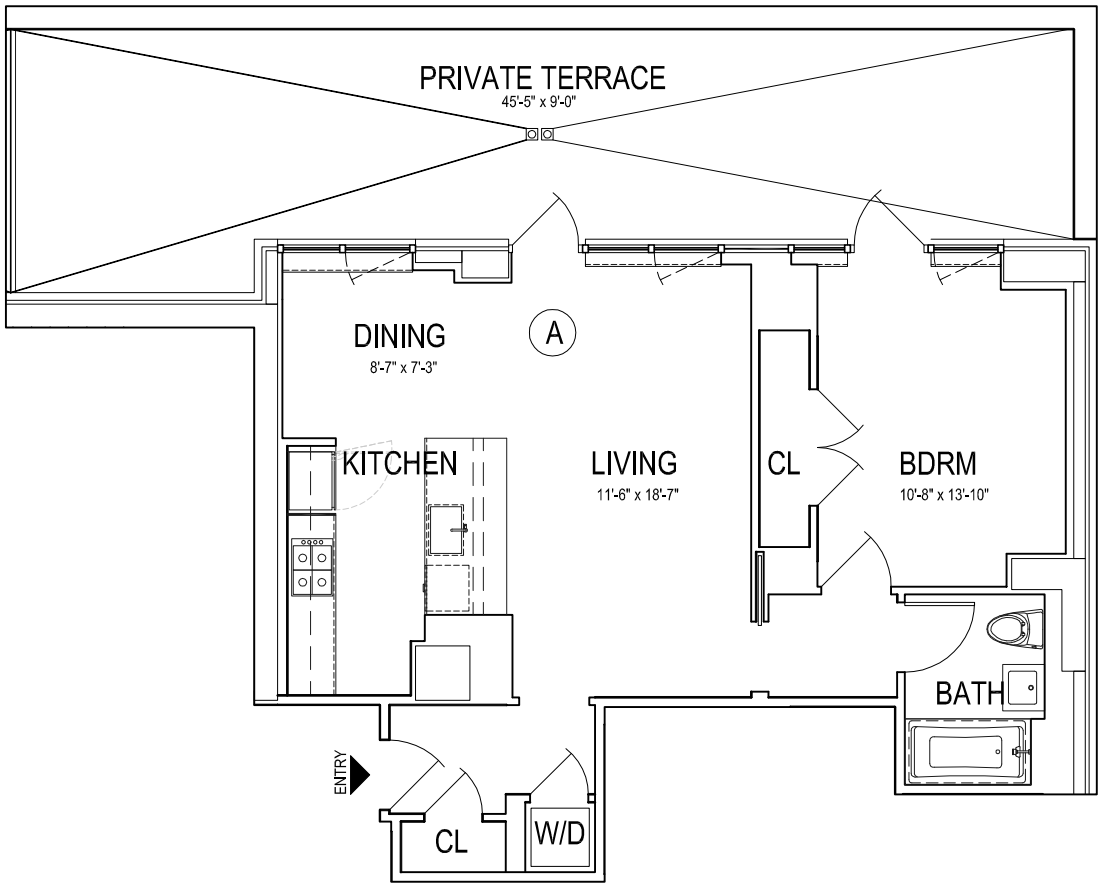
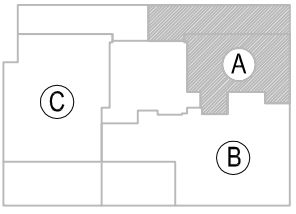
RESIDENCE 9A

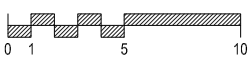
1 BEDROOM
1 BATH
810 S.F.
434 S.F. TERRACE

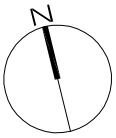
261 W 25 STREET

NEW YORK, NEW YORK 10001









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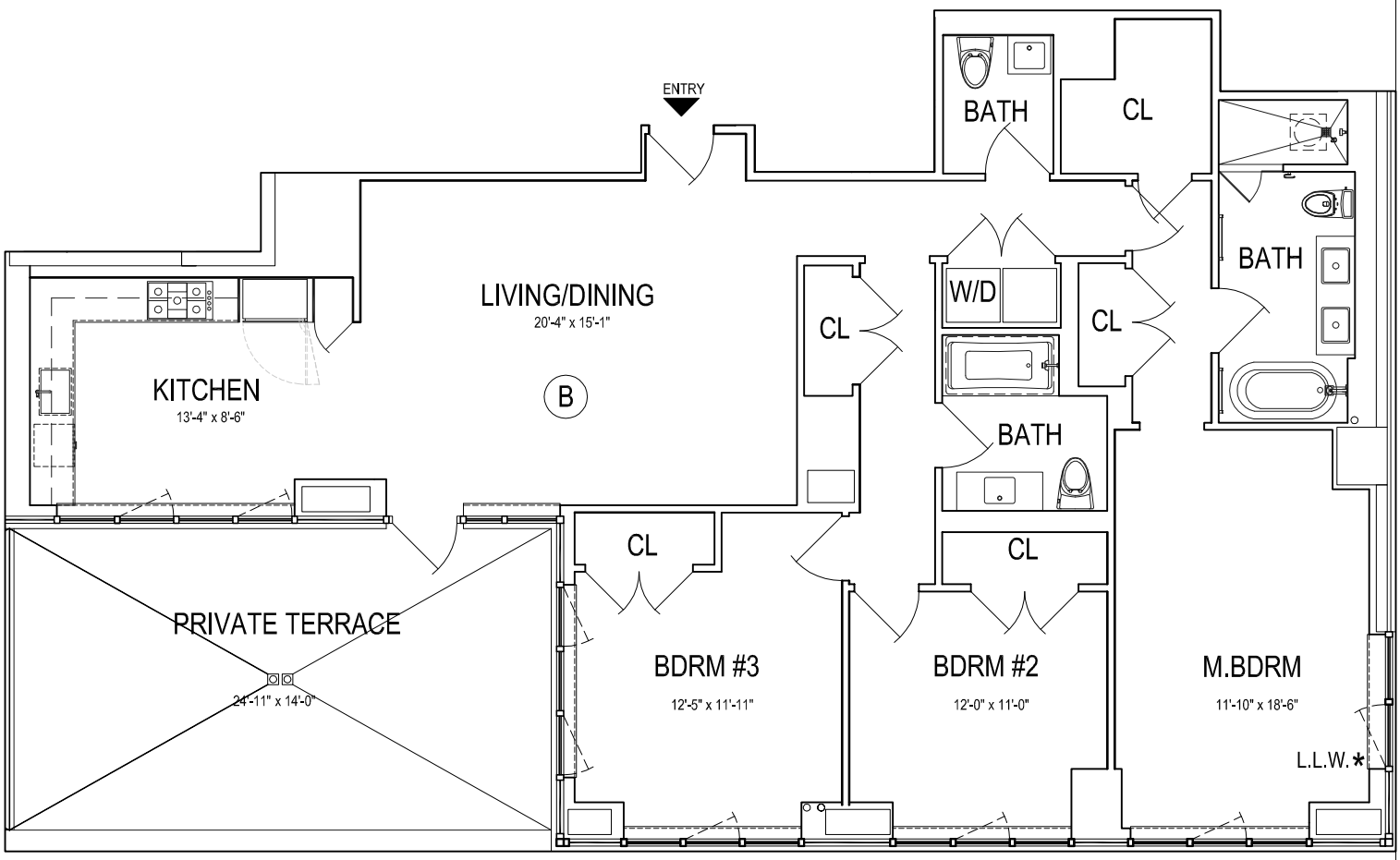
RESIDENCE 9B

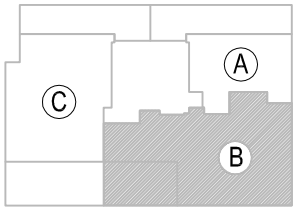
3 BEDROOM
2.5 BATH
1751 S.F.
352 S.F. TERRACE

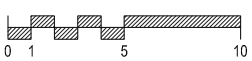
* LOT LINE WINDOW

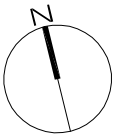
261 W 25 STREET

NEW YORK, NEW YORK 10001









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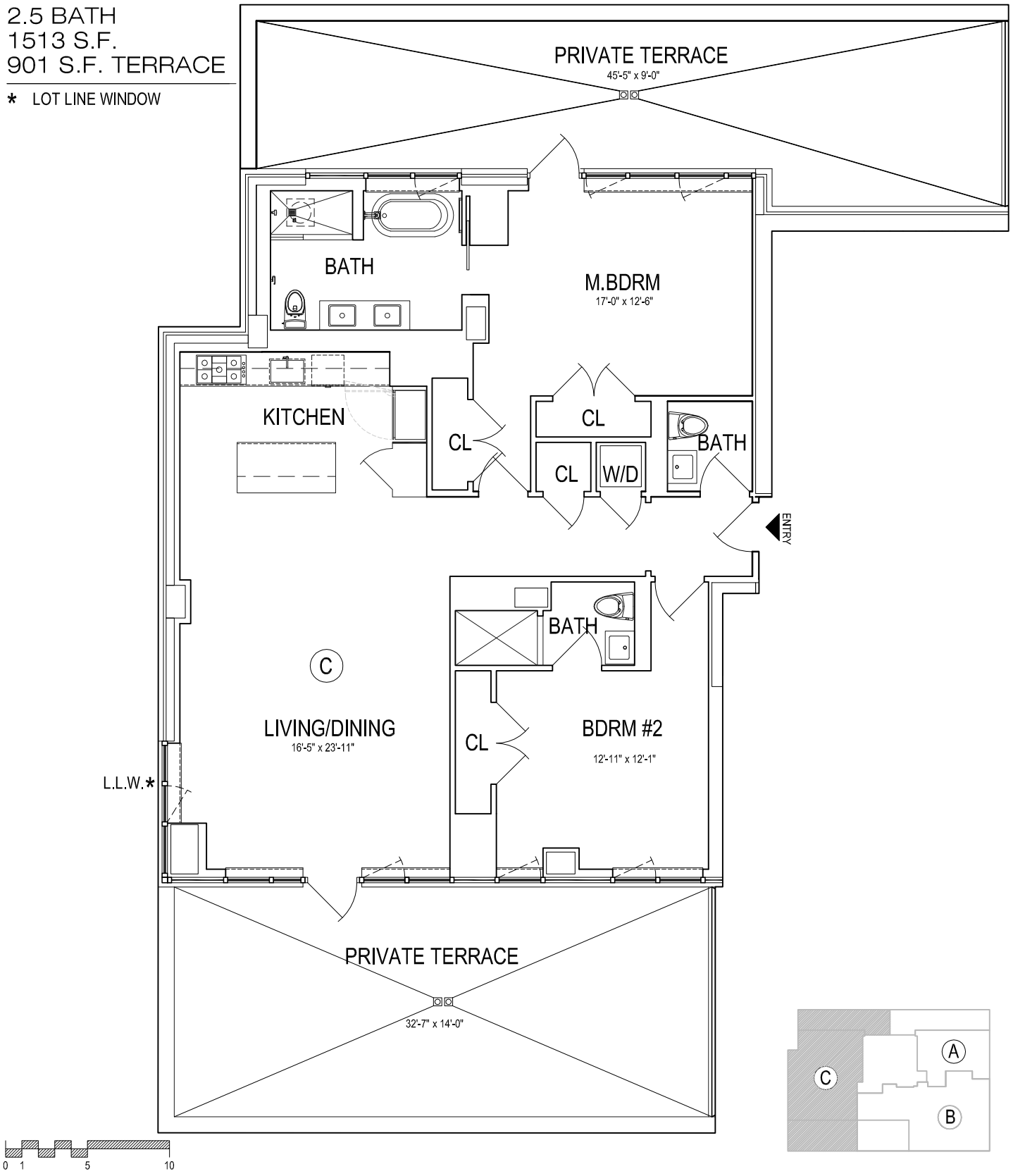
RESIDENCE 9C

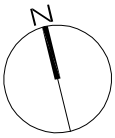
2 BEDROOM
2.5 BATH
1513 S.F.
901 S.F. TERRACE

* LOT LINE WINDOW

261 W 25 STREET

NEW YORK, NEW YORK 10001





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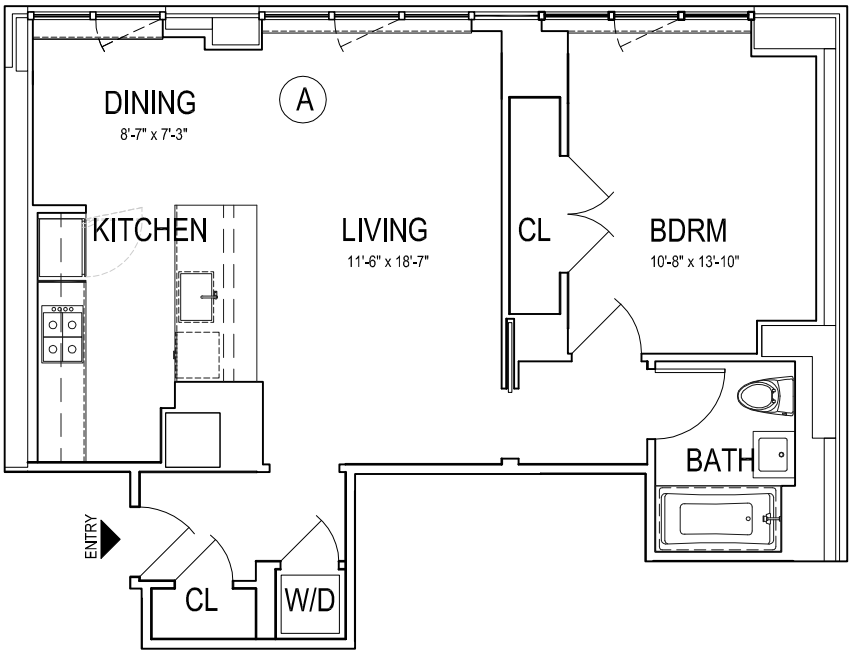
RESIDENCE 10A

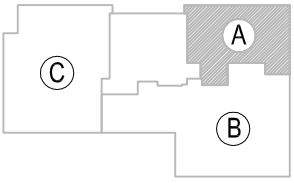
1 BEDROOM
1 BATH
810 S.F.

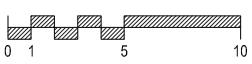
* LOT LINE WINDOW

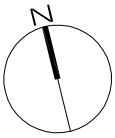
261 W 25 STREET

NEW YORK, NEW YORK 10001









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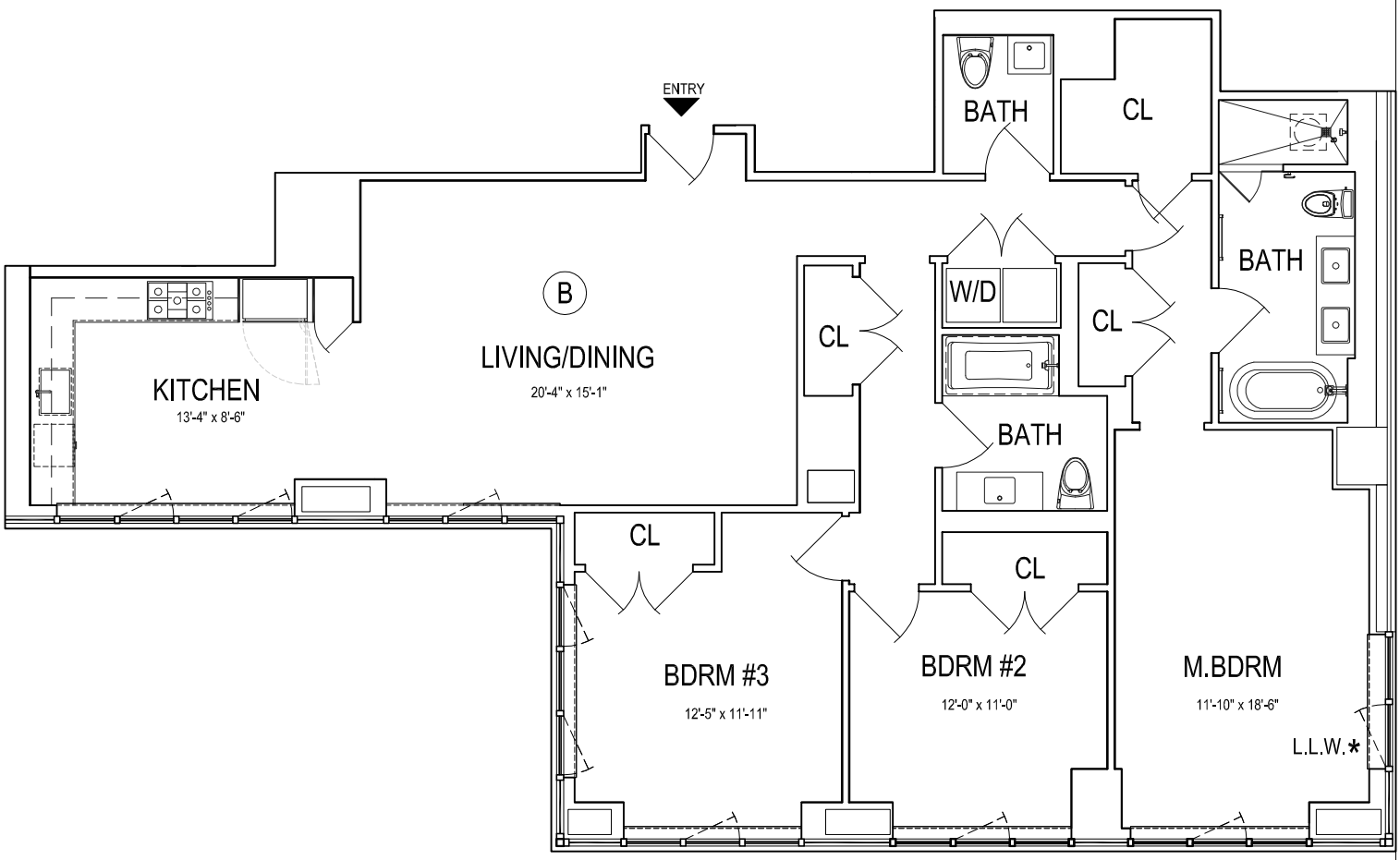
RESIDENCE 10B

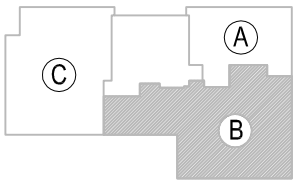
3 BEDROOM
2.5 BATH
1751 S.F.

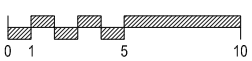
* LOT LINE WINDOW

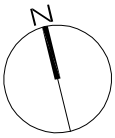
261 W 25 STREET

NEW YORK, NEW YORK 10001









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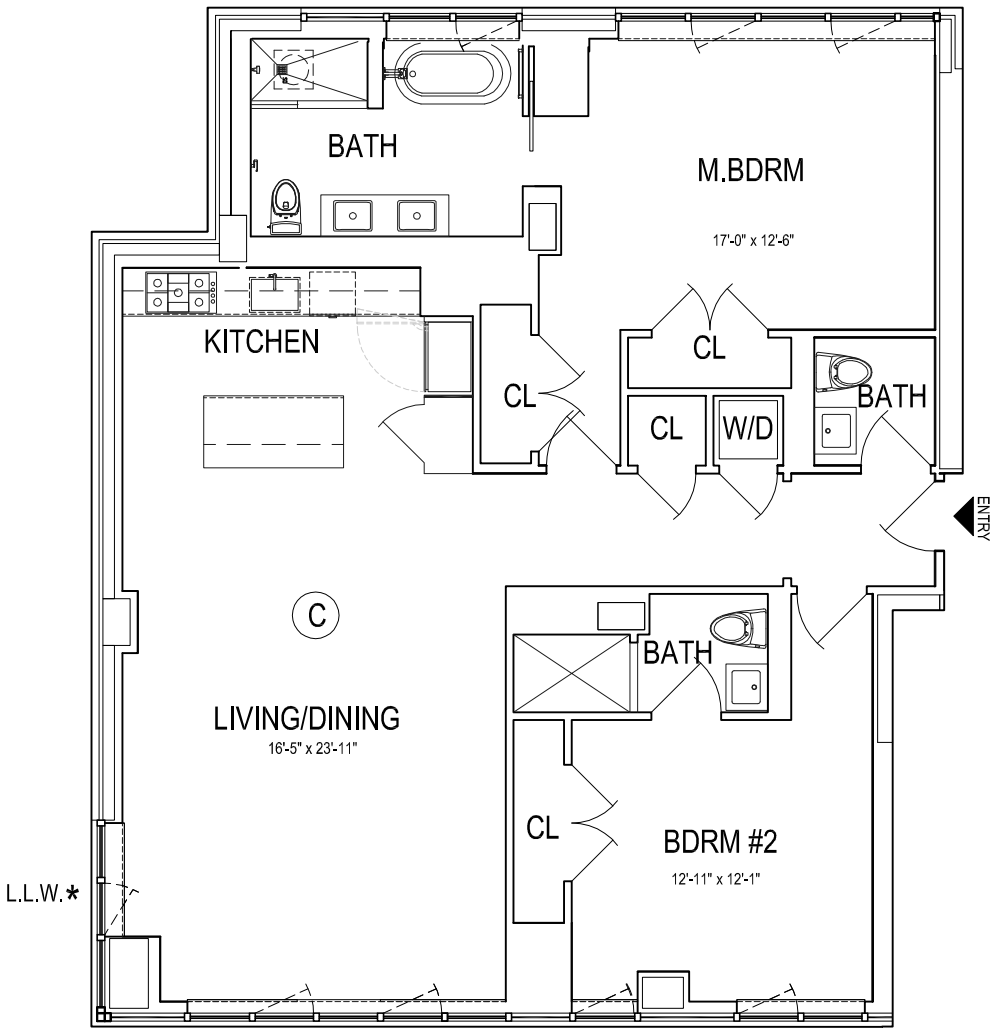
RESIDENCE 10C

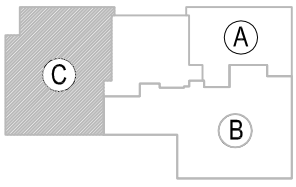
2 BEDROOM
2.5 BATH
1513 S.F.

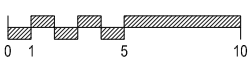
* LOT LINE WINDOW

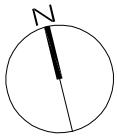
261 W 25 STREET

NEW YORK, NEW YORK 10001









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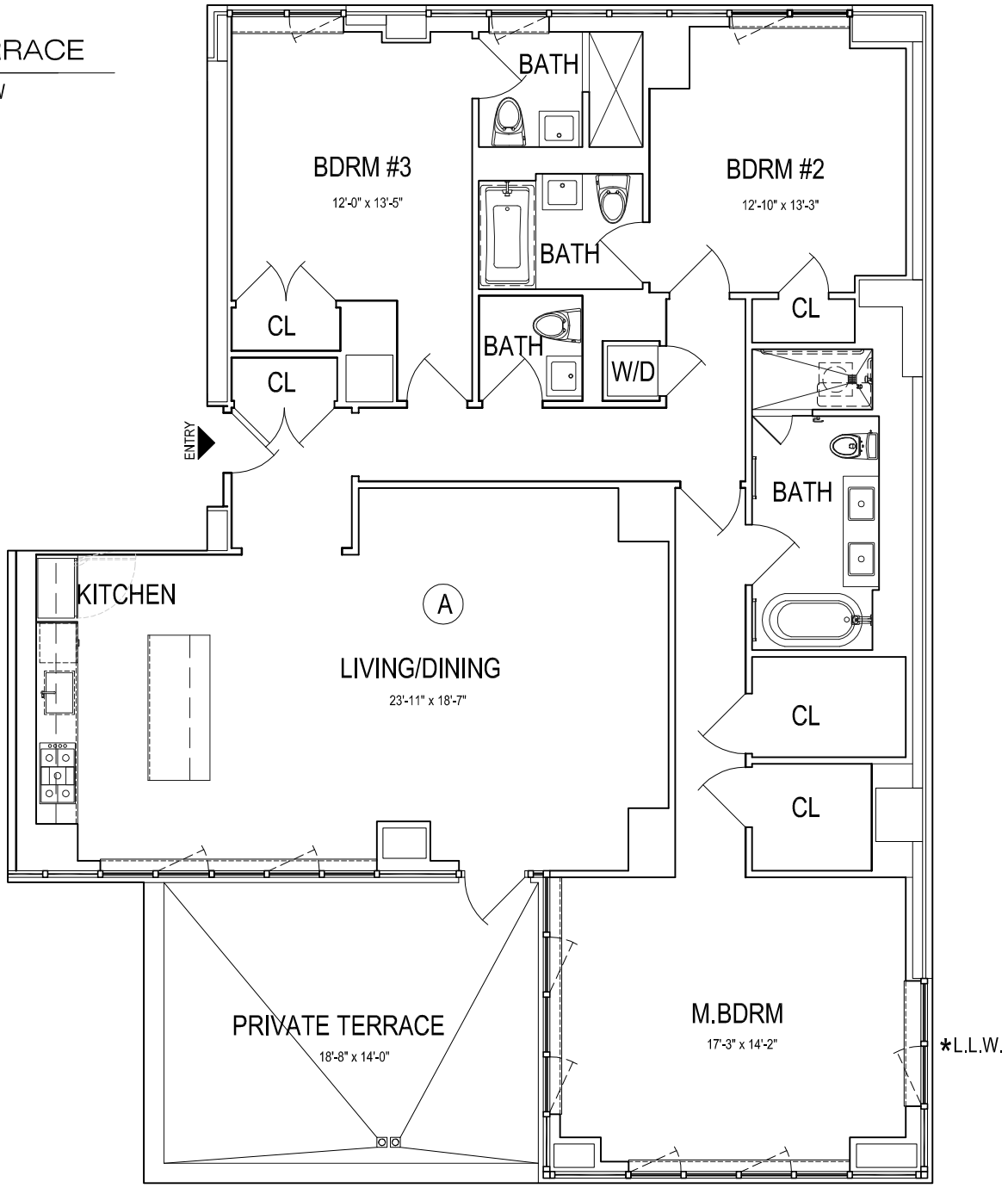
RESIDENCE 11A

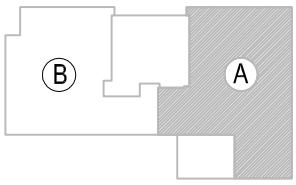
3 BEDROOM
3.5 BATH
2029 S.F.
261 S.F. TERRACE

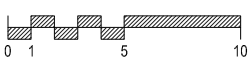
* LOT LINE WINDOW

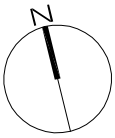
261 W 25 STREET

NEW YORK, NEW YORK 10001









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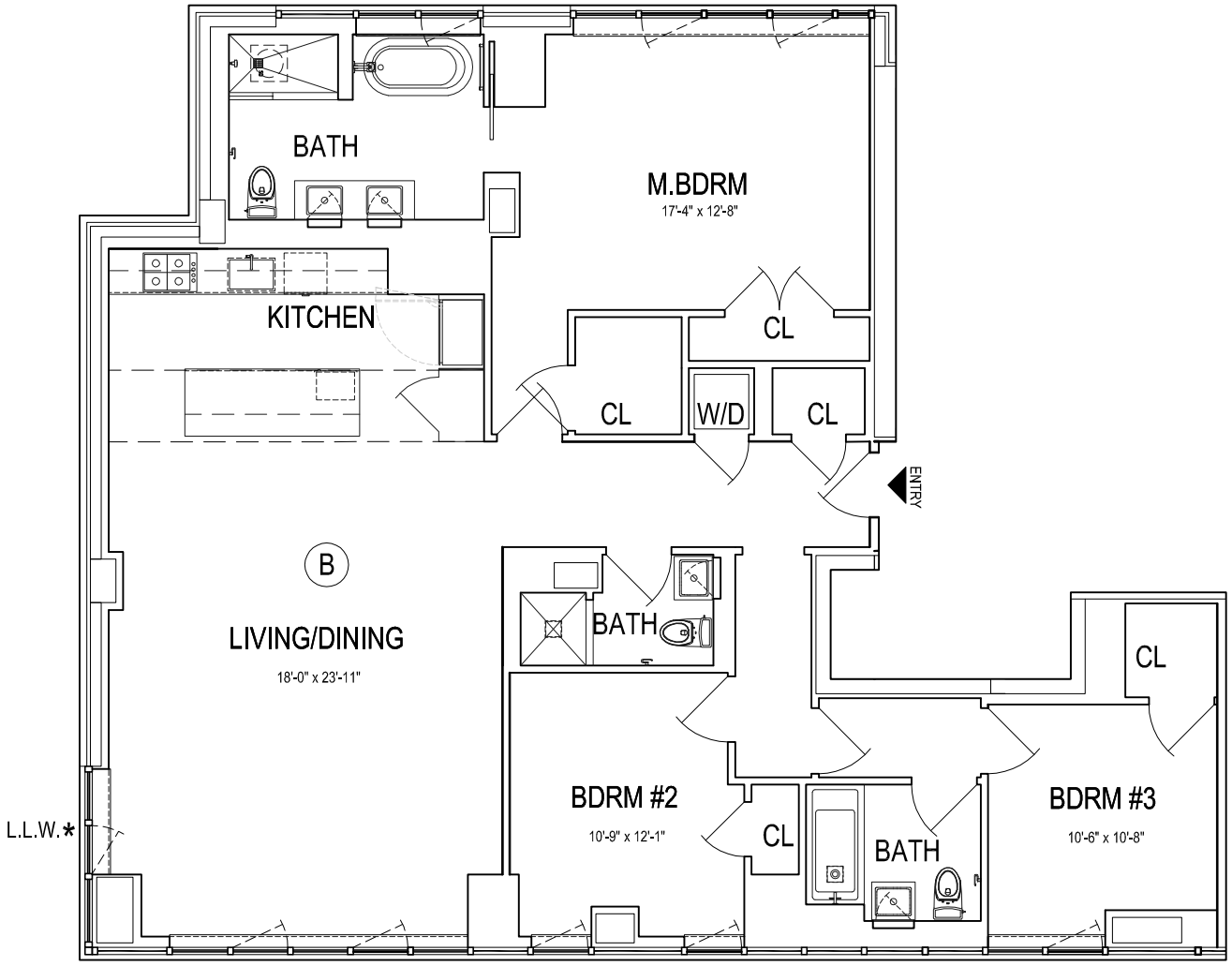
RESIDENCE 11B

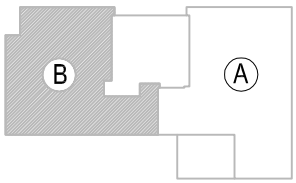
3 BEDROOM
3 BATH
1773 S.F.

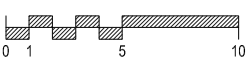
* LOT LINE WINDOW

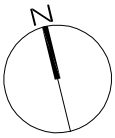
261 W 25 STREET

NEW YORK, NEW YORK 10001









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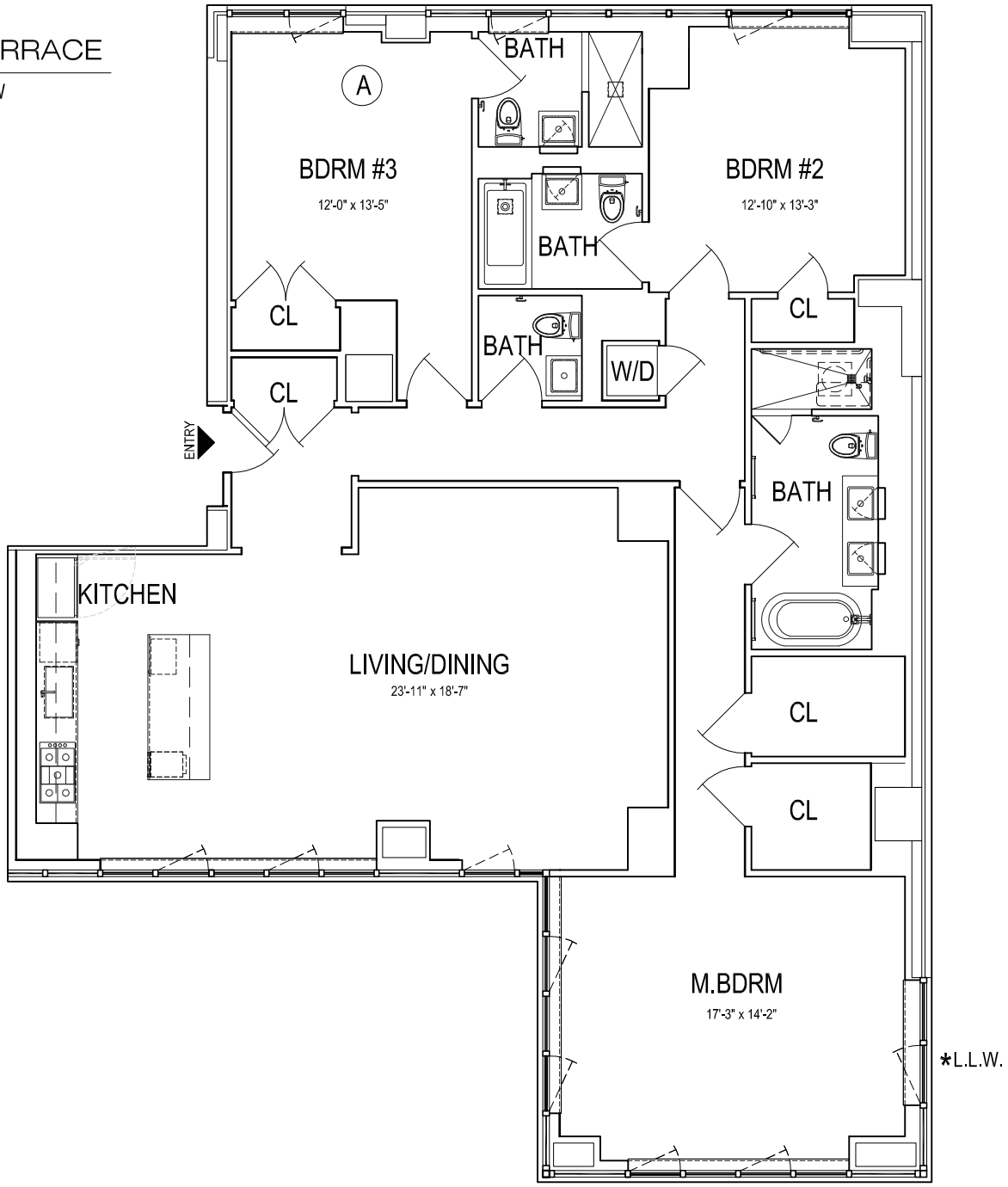
RESIDENCE PH A

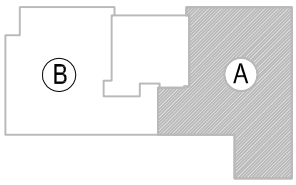
3 BEDROOM
3.5 BATH
2029 S.F.
367 S.F. TERRACE

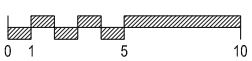
* LOT LINE WINDOW

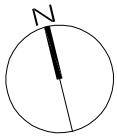
261 W 25 STREET

NEW YORK, NEW YORK 10001









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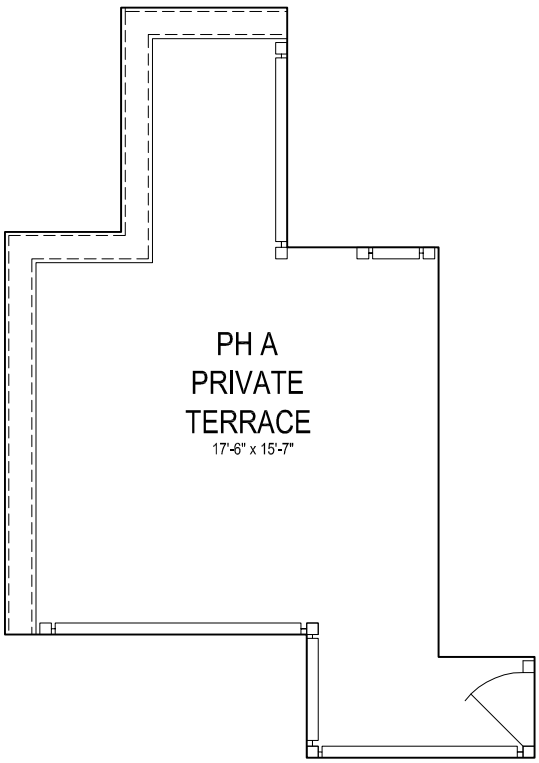
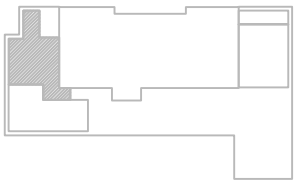
RESIDENCE PH A

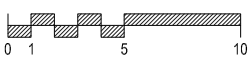
PRIVATE ROOFTOP TERRACE
FLOOR: MAINROOF
367 S.F. TERRACE

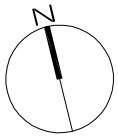
261 W 25 STREET

NEW YORK, NEW YORK 10001









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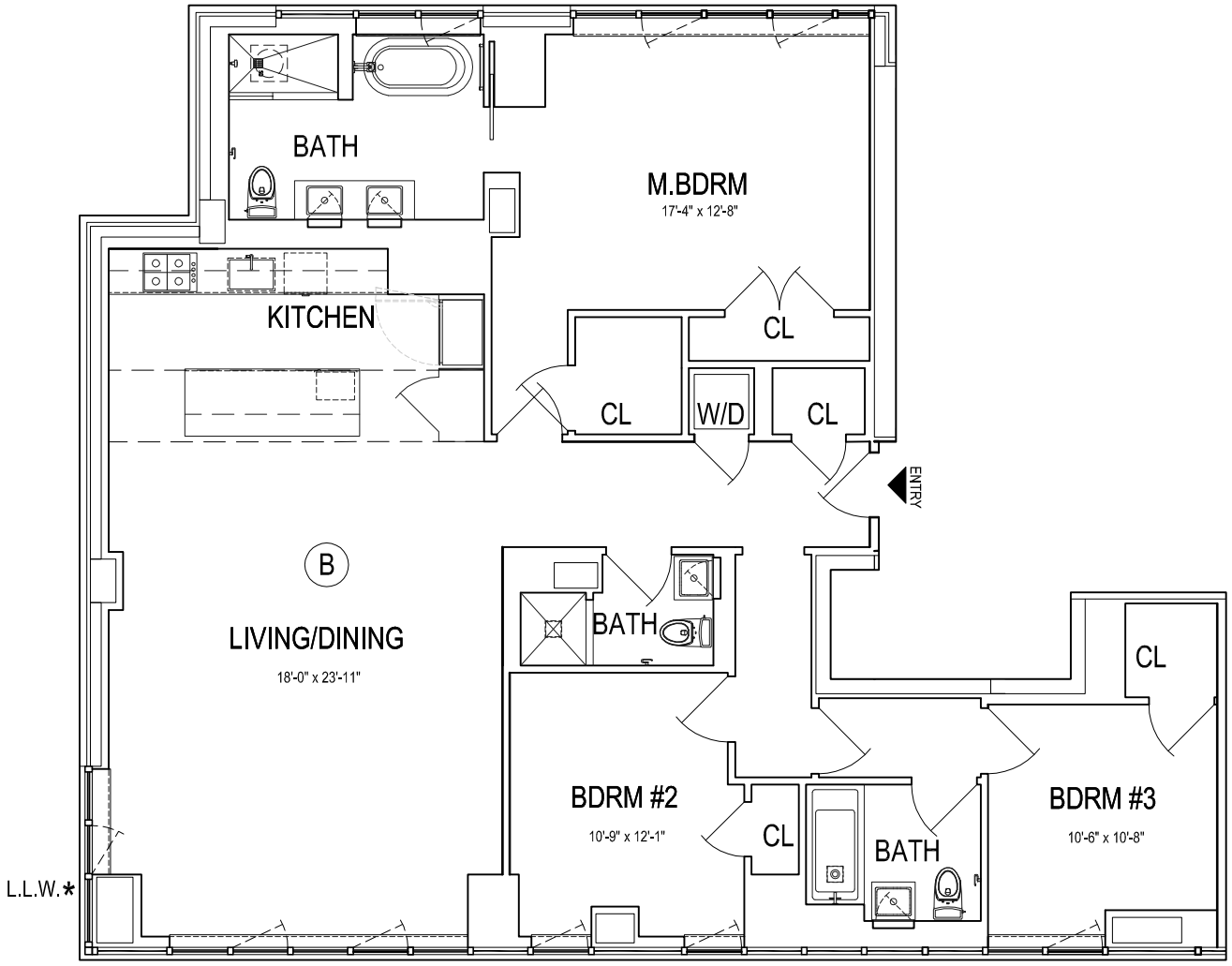
RESIDENCE PH B

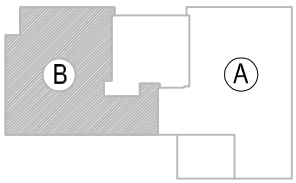
3 BEDROOM
3 BATH
1773 S.F.
352 S.F. TERRACE

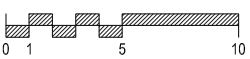
* LOT LINE WINDOW

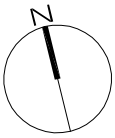
261 W 25 STREET

NEW YORK, NEW YORK 10001









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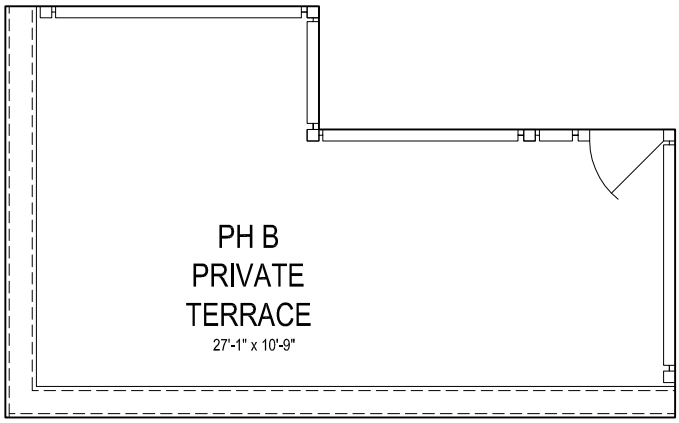
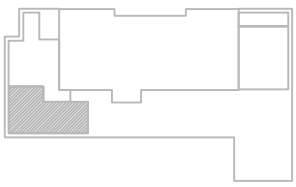
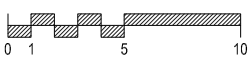
RESIDENCE PH B

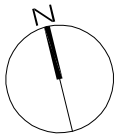
PRIVATE ROOFTOP TERRACE
FLOOR: MAINROOF
352 S.F. TERRACE

261 W 25 STREET
NEW YORK, NEW YORK 10001









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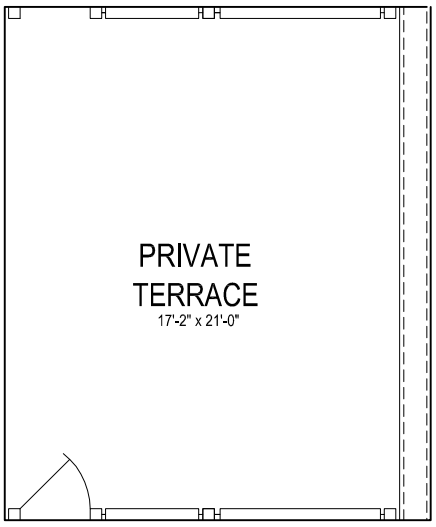
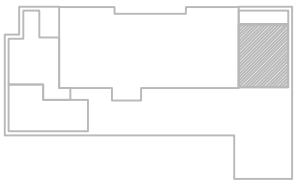
PRIVATE TERRACE C

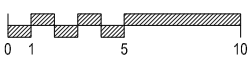
PRIVATE ROOFTOP TERRACE
FLOOR: MAINROOF
360 S.F. TERRACE

261 W 25 STREET

NEW YORK, NEW YORK 10001







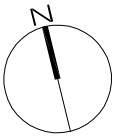


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EXHIBIT 6

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as 261 West 25th Street
New York, New York
Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name

THE SEYMOUR CONDOMINIUM

Sponsor

261 OWNER LLC

Date of Declaration

_____ __, 201___

Block 775
Lots _____-_____
(f/k/a Lots 5,6 and 8)

Borough of Manhattan

When Recorded, Return to:

Kramer Levin Naftalis & Frankel LLP
Attorneys for Sponsor
1177 Avenue of the Americas
New York, New York 10036
Attention: Jonathan H. Canter, Esq.

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DECLARATION

OF

The Seymour Condominium

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

261 OWNER, LLC, a Delaware limited liability company duly authorized to do business in the State of New York having an office at c/o The Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("Sponsor" or "Declarant"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY; BY-LAWS

1.1 Submission of Property. Sponsor hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (as the same may be amended from time to time, the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known (subject to the provisions of this Declaration) as "The Seymour Condominium" (the "Condominium").

1.2 Development Rights. Excluded from the Property is that portion of the unused floor area development rights that are now owned, subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights") which shall be initially retained by Declarant, which Development Rights may be utilized by Declarant or any party acquiring the same from Declarant (the "Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA").

1.3 By-Laws. Annexed to this Declaration as Schedule C and made a part hereof are the by-laws of The Seymour Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time in accordance with the provisions hereof and thereof governing amendments, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to such terms in the By-Laws.

1.4 Definitions: All capitalized terms not defined in this Declaration or in the By-Laws shall have the definition set forth in the offering plan for the Condominium (the

"Offering Plan" or "Plan") accepted for filing by the Department of Law on _____ under CD14-0042, as amended from time to time.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land described in Schedule A annexed hereto and made a part hereof (the "Land"), situate, lying and being in the City, County and State of New York. The Land is owned, as of the date hereof, by Sponsor in fee simple absolute and has an area of approximately 9,506 square feet.

ARTICLE 3

THE PROPERTY

3.1 Included in the Property described in Article 1 is a building (the "Building") containing, in addition to lobbies, hallways, corridors and other service, utility and mechanical areas: (i) 49 residential units (collectively, the "Residential Units" or "Units" and individually, a "Residential Unit" or a "Unit"), located on the 1st through 12th Floors of the Building; (ii) 17 storage areas (collectively, the "Storage Bins" and individually, a "Storage Bin", located on the Cellar Floor of the Building; (iii) a Bicycle Room with room for approximately 24 bicycles ("Bicycle Storage"); and (iv) Common facilities and amenities for the benefit of the Residential Unit Owners which are currently anticipated to include a Fitness Center, Lounge, Laundry Room and outdoor Residents' Garden, all of which are located on the Cellar Floor; a Roof Residential Outdoor Space, and a Library located at the 1st Floor.

3.1.1 The owner of a Residential Unit is herein called a "Residential Unit Owner" and the owners of all Residential Units are herein collectively called the "Residential Unit Owners" or "Unit Owners".

3.1.2 The licensee of a Storage Bin is herein called a "Storage Bin Licensee" and the owners of all Storage Bin licenses are herein collectively called the "Storage Bin Licensees".

3.1.3 The licensee of Bicycle Storage is herein called a "Bicycle Storage Licensee" and the owners of all Bicycle Storage licenses are herein collectively called the "Bicycle Storage Licensees".

3.2 The street address of the Property is 261 West 25th Street, New York, New York 10001.

ARTICLE 4

THE BUILDING

The Building will be constructed of reinforced concrete flat plates supported by concrete columns and shear walls. A majority of the exterior façade consists of a window-wall system, while certain solid portions of the façade will be constructed of brick or other materials, and decorative materials may be used for the exterior of the Building including stone at the base. The Building will have one cellar level below grade (the "Cellar Floor") and rise 12 stories to approximately 121-8" from the top of the finished floor at the Residential Lobby to the top of slab at the roof (the "1st through 12th Floors").

ARTICLE 5

THE UNITS

5.1 The location of each Unit is shown on and is governed by the floor plans of the Building certified by Goldstein Hill & West Architects, LLP intended to be filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration (as the same may be amended from time to time, the "Floor Plans"). Schedule B annexed hereto and made a part hereof sets forth the following supplementary data with respect to each Unit necessary for the further proper identification thereof: Unit designation; tax lot number; direction in which each Unit faces; approximate square foot area; number of rooms in the residential areas; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access; and the proportionate undivided interest in fee simple absolute (expressed as a percentage) in the Common Elements (the "Common Interest") appurtenant to such Unit.

5.2 Each Unit includes, and each Unit Owner shall be responsible for (maintaining, insuring, repairing, replacing, etc.), all fixtures, equipment and other items of personalty, including, without limitation, front entrance door and any other entrance doors to such Unit, flooring and subflooring, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any equipment, fixtures or facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 5 to the contrary, each Unit Owner will have the right, subject to such rules as may be imposed by the Condominium Board, to install, at such Unit Owner's sole cost

and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

ARTICLE 6

DIMENSIONS OF UNITS, TERRACES AND STORAGE AREAS

The approximate floor area of each Unit has been measured horizontally, on each of one or more floors, from the exterior face of the exterior Building walls, the Building line or Property line to the midpoint of an interior partition or continuous structural element separating one Unit from another Unit, public corridor, stairs, elevators, mechanical equipment spaces or any other Common Element. Where the window wall is recessed between masonry piers, the area is measured horizontally from a Building line which is taken as a straight line from exterior face of pier to exterior face pier, parallel to the Property line. Columns and mechanical pipes and shafts, (whether along the perimeter or within the Unit) were not deducted from the square foot area of the Unit. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above (above any suspended ceiling).

Terraces are measures horizontally from the outside face of exterior wall to the outside face of parapet. Where two Terraces abut, the measurement is taken to the centerline of the divider screen. Storage Bins are measured from the outside of the wire mesh to outside of wire mesh, and where a Storage Bin abuts a wall, to the face of the demising wall.

ARTICLE 7

COMMON ELEMENTS

7.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities* located or

* As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other

contained therein for the common use of the Units and the Unit Owners (except for the Residential Limited Common Elements, as described below) or which are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements are comprised of the General Common Elements, and the Residential Limited Common Elements, all of which are described in Sections 7.2 and 7.3 of this Article 7, respectively, subject in all events however to any specific designation for any portion of the Property as may be reflected on the Floor Plans (whether or not consistent with the general descriptions contained in this Article).

7.2 The General Common Elements include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Residential Limited Common Elements) the common use of which is necessary or convenient for the existence, maintenance, operation or safety of the Property. More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

7.2.1 The Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Declaration).

7.2.2 All foundations, foundation walls, exterior walls/wall systems, roofs (except as otherwise expressly provided in this Declaration), footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings.

7.2.3 The boilers and related support structure.

7.2.4 All passages and corridors, mechanical and other utility rooms, all fire staircases, landings and stairs, areas and spaces located in the Building, which are not Residential Limited Common Elements or included in any Unit.

7.2.5 Any ventilation supply system consisting of motors, ductwork, fans and controls return piping, serving or benefiting the Building.

7.2.6 Hot water and condenser water systems.

7.2.7 All mechanical equipment and associated piping and controls serving or benefiting the Units.

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fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line duct, conduit, cable, riser, main, shaft, soffit, pipe, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

7.2.8 All electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards serving or benefiting the Building, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.9 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot and cold water, including pumps, valves, pressure reducers, meters and water heaters, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.10 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.11 The mechanical rooms, storm detention tank room, compactor room, all electric service rooms, gas and water meter rooms, Building storage rooms, super's office/workshop, staff locker rooms, fire pump room, telephone rooms and other service, mechanical and utility rooms serving or benefiting the Units.

7.2.12 All other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Building.

7.2.13 Lounge, Residents' Garden, Fitness Center, Storage Bins (available for license), Bicycle Room (storage spaces available for license), Laundry Room on the Cellar Floor.

7.2.14 Library and Lobby on the 1st Floor.

7.2.15 Refuse rooms, elevator vestibules and public corridors on each floor.

7.2.16 Passenger elevators 1 and 2, in each case including the shafts, elevator equipment, elevator pits and entrances and appurtenant facilities.

7.2.17 The Roof Residential Outdoor Space.

7.2.18 All other parts of the Property either existing for the common use of the Units, or their respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.2.19 Whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property and all equipment existing in the Building or on the Property (other than those areas and items specifically identified on the Floor Plans as part of a Unit and/or Residential Limited Common Elements) the common use of and/or benefit from which is necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.3 The Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements; and also those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner, whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Limited Common Elements include, without limitation, the following: Any terrace or balcony (collectively, "Terraces" and each a "Terrace") either appurtenant or designated to any Residential Unit (although the benefitted Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

ARTICLE 8

USE OF UNITS AND COMMON AREA

8.1 Use of the Units.

8.1.1 General. As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Law expressly provided, Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation, as defined in the Zoning Resolution. Units may be owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Units may only be occupied by (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of an Occupancy Plan; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Units may only be leased in accordance with the By-Laws and the Rules and Regulations. An "Occupancy Plan" means a program, plan, agreement or other arrangement for the use, occupancy, marketing, advertising or promotion of one or more Units under short-term, timeshare, fractional or shared ownership, interval exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership plans or arrangements through which a participant in the plan or arrangement acquires a direct or indirect ownership interest in the Unit(s) in question with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of such Unit(s) or a portfolio of accommodations including such Unit(s).

8.1.2 Unsold Residential Units. Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Residential Unit as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units, subject to compliance with applicable Legal Requirements. As used in the Condominium Documents, "Unsold Residential Unit" refers to any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or any of its respective designees; any Residential Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Residential Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage.

8.2 Common Elements.

8.2.1 Except as otherwise provided in the By-Laws: (i) the Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited; (ii) Storage Bins may only be used in accordance with Section 6.10 of the By-Laws; and (iii) Terraces may be used only for purposes commensurate with the uses permitted of the Residential Units to which they are appurtenant.

8.2.2 Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

8.2.3 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

ARTICLE 9

CHANGES IN UNSOLD RESIDENTIAL UNITS

9.1 Unsold Residential Units. Notwithstanding anything to the contrary in Article 6 of the By-Laws, except to the extent prohibited by, or to the extent that the same will cause the Property or any portion thereof not to comply with, any applicable Legal Requirements, Sponsor and any other owner of an Unsold Residential Unit shall have the right, at any time and from time to time, without the vote or consent of the Board, any Unit Owner or other Person (as used herein, the term "Person" shall mean a natural person, corporation, partnership, limited liability company, association, trustee, governmental authority or other legal entity) to: (a) make alterations, additions, improvements, replacements and/or repairs whether

structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon its Unsold Residential Unit(s); (b) change the use (subject to compliance with all Legal Requirements, including, without limitation, the certificate of occupancy for such Unit) or layout of, or number of rooms in, any Unsold Residential Unit(s) from time to time; (c) change the size and/or number of Unsold Residential Unit(s) by subdividing one or more Unsold Residential Units into two or more separate Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Units, converting an Unsold Residential Unit or any portion thereof to a Common Element, altering the boundary walls between any Unsold Residential Units, or otherwise, including incorporating the use of any portion of the General Common Elements adjacent or appurtenant thereto (but only to the extent that such General Common Elements are not required to be maintained as General Common Elements based upon such alterations); (d) whether in respect of subdivisions or combinations of the Unsold Residential Units or otherwise, designate all or any part of an Unsold Residential Unit or a Common Element as part of a newly created or expanded Unsold Residential Unit or Common Element; and (e) if appropriate, reapportion among the Units affected by such change in size, use or number pursuant to the preceding clauses (b), (c) and (d) their percentage interests in the Common Elements; provided, however, that: (i) such changes are in compliance with Section 339 of the New York Condominium Act; (ii) the Common Interest of any other Units (other than the Unsold Residential Units (or other Units owned by such person) shall not be changed by reason thereof unless the owners of such other Units shall consent thereto; and (iii) Sponsor or such other owner of an Unsold Residential Unit, as the case may be, shall comply with all Legal Requirements of all governmental authorities having jurisdiction and shall agree to defend and hold the Board and all other Unit Owners harmless from any liability arising therefrom. Sponsor or such other owner of an Unsold Residential Unit, as the case may be, shall have the right, without the consent of the Board, any Unit Owner or other Person to amend (and/or cause the Board to amend) the Declaration, the By-Laws and the Floor Plans and any other documentation to reflect the foregoing changes.

9.2 Units Generally. Subject to this Declaration (including, without limitation, Section 9.4 below) and the By-Laws, the Unit Owner(s) of one or more Units (other than Unsold Residential Units), with the express written consent of the Board, which consent may be granted or withheld for any reason in the Board's sole discretion, any other Unit Owner may be given, with respect to its Unit(s), the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units, including, without limitation, the right to change, combine, subdivide and/or otherwise reconfigure two (2) or more adjacent Units owned by such Unit Owner.

9.3 Consents. Subject to the immediately succeeding sentence, the provisions of Sections 9.1, 9.3 and 9.4 of this Declaration may not be added to, amended, modified or deleted without the prior written consent of Sponsor any other owner of an Unsold Residential Unit. Wherever the consent, approval or satisfaction of Sponsor (as the owner of any Unsold Residential Unit(s)) or the owner of any Unsold Residential Unit(s) is required under this Declaration or the By-Laws, such consent, approval or satisfaction of such party shall not be required when such party no longer owns any Unsold Residential Units.

9.4 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 9, no reapportionment of the interests in the Common

Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating, in each case with respect to the Unit(s) in question that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in compliance with the terms of Section 339-i(1) of the Condominium Act. The certification referred to herein shall be delivered: (a) in the case of any Unsold Residential Unit(s), at the election of Sponsor, by Sponsor, the managing agent of the Condominium or any other Person reasonably acceptable to the Board; and (b) in the case of any other Unit(s) by the managing agent of the Condominium or any other person reasonably acceptable to the Board.

ARTICLE 10

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated to receive service of process in any action which may be brought against the Condominium or the Board. The Condominium and the Board shall each notify the Secretary of State of the address to which a copy of any process received should be mailed.

ARTICLE 11

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

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

ARTICLE 12

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent (when required by the By-Laws), of the Board, or made by Sponsor or its designee, as the case may be, or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand (or during any period in which it is being rebuilt or

restored, in accordance with the By-Laws, following any such fire or other casualty, taking or eminent domain proceeding); provided that in the case of any such encroachment described in subparagraph (c) (ii) or (iii) above, such encroachment does not unreasonably interfere with the use of any of the Units for their permitted purposes and/or the use of the Common Elements for their intended purposes.

ARTICLE 13

FACILITIES AND ALL OTHER COMMON ELEMENTS

Except as may otherwise be expressly set forth herein or in the By-Laws, each Unit Owner shall have, and is hereby granted, in common with all other Unit Owners, an easement to use any and all General Common Elements located anywhere on the Property without hindering the exercise of or encroaching upon the rights of the other Unit Owners in respect of such easement, including, but not limited to, such easement as will be necessary to maintain, such Unit Owner's Unit.

Each Unit Owner will have, in common with all other Unit Owners, an easement for the use of the General Common Elements and any facilities located therein, including, but not limited to, such easement as will be necessary to operate and maintain as necessary, such Unit Owner's Unit, and the Board, on behalf of all Unit Owners, shall have an easement to maintain, and to make Alterations to, the Residential Limited Common Elements.

Each Unit shall be subject to an easement in favor of the Board, on behalf of all Unit Owners, to use, operate, maintain, repair, alter, rebuild, restore and replace all Common Elements located in such Unit or elsewhere on the Property. In addition, Sponsor (or its designee) and the Board shall have the right to erect scaffolding on or upon any of the Terraces or the courtyard at the second floor of the Building for a temporary period of time in connection with maintenance and repairs of the Building and its Common Elements. The Board and any managing agent, manager and other persons authorized by the Board shall have a right of access to each Unit and any Residential Limited Common Element appurtenant to any Residential Unit, whether exclusive or not, (and such is hereby granted) to inspect the same or remove violations of governmental laws or regulations against any part of the Property; to cure defaults by the owner of such Unit under the By-Laws, this Declaration or the Rules and Regulations; to perform maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical systems or other portions of the Common Elements (including, without limitation, all of the Residential Limited Common Elements) contained therein or elsewhere in the Property; or correcting any conditions originating in any Unit and threatening another Unit or any Common Element; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

ARTICLE 14

EASEMENTS

14.1 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit or the Common Elements (including, for the purpose of clarity, the General Common Elements and any Residential Limited Common Elements) resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units or Storage Bins for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

14.2 Each Unit Owner of a Residential Unit with a Terrace shall have an easement for the exclusive use of such Terrace, which use shall be subject to the terms and conditions of this Declaration and the By-Laws. Each Terrace (and the Residential Unit to which such Terrace is appurtenant or designated) shall be subject to the easement(s) in favor of Sponsor and the Board as set forth herein.

14.3 Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress and egress to and from its Unit, and, to the extent reasonably necessary, for the use of any Common Element (excluding all Residential Limited Common Elements). The Units shall each be subject to such easement.

14.4 Intentionally omitted.

14.5 Each Unit and the Common Elements shall have easements of subjacency, support and necessity, and the same shall be subject to such easements in favor of all the other Units and the Common Elements.

14.6 Each Unit Owner (except as otherwise set forth below) grants an easement over its Unit and the Common Elements (including, without limitation, its appurtenant Residential Limited Common Elements), and the Board grants an easement over and through the General Common Elements: (a) in the case of the Residential Unit Owners, to the Board for the purpose of (and to the extent reasonably necessary for) maintaining, Altering, preventing or minimizing damage to and causing to be in compliance with Legal Requirements and the insurance requirements set forth in the Condominium Documents (the "Insurance Requirements") such granting Residential Unit Owner's Residential Unit, the Residential Limited Common Elements, if any, appurtenant to its Residential Unit; (b) in the case of the Board and the Unit Owners, to each Unit Owner, in common with each other Unit Owner, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) maintaining, repairing, altering, preventing or minimizing damage to and causing to be in compliance with Legal Requirements and Insurance Requirements any portions of the grantee Unit Owner's Unit and any appurtenant Residential Limited Common Elements;

(c) to each Unit Owner, and to the Board, in common with each other, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) installing, allowing to remain (and using for its respective intended purposes), maintaining, repairing, altering, preventing or minimizing damage to and causing to be in compliance with Legal Requirements and Insurance Requirements any Common Elements or other facilities located in or only readily accessible through such granting Unit Owner's Unit or Residential Limited Common Elements, if any, which serve other Units (including, without limitation, reading, maintaining or replacing utility meters relating to the Common Elements, such Unit or any other Unit in the Building); (d) to the Board (only to the extent permitted under the other provisions of the Condominium Documents) for the purpose of (and to the extent reasonably necessary for) preventing or minimizing damage to such Unit or to any other portion of the Property; (e) to the Board for the purpose of (and only to the extent reasonably necessary for) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; and/or (f) to the Board for the purpose of (and only to the extent reasonably necessary for) curing defaults hereunder or under the By-Laws, or correcting any conditions originating in such Unit Owner's Unit or Residential Limited Common Elements and threatening the health, safety and welfare of the occupants of, or the property located within, another Unit or all or any part of the Common Elements).

14.7 Sponsor or its designee (and their respective successors and assigns), shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs, canopies, flags or awnings or other protrusions on the Property, including without limitation, on the exterior of the walls of the Building, for the purposes of advertising the sale or lease of any Unsold Residential Unit, and/or the operation of any business of a tenant or occupant of all or any portion of any Unsold Residential Units, as the case may be.

14.8 Each easement and other right granted under this Article 14 shall be deemed to permit the benefited party's/ies' contractors, subcontractors, agents, representatives, occupants, employees and other designees (and, in the case of a grant to the Board, the Managing Agent), to use such easement or other right, as applicable, if such Unit Owner so elects.

14.9 Any grant of an easement "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

14.10 Sponsor and/or its designee (and their respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, license, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of the roof of the Building that is not occupied as of the date hereof for any other Building installations and that is not designated a Residential Limited Common Element for the exclusive use of a particular Unit Owner; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor

(or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor and/or its designee under any lease, license or other right of use granted by Sponsor and/or its designee with respect to the roof or the aforesaid mechanical equipment room shall be the obligation solely of the owner of Sponsor and/or its designee and not of the Condominium and any rights of Sponsor and/or its designee, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and/or its designee and not of the Condominium. In connection with such easements and related rights, Sponsor and/or its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement. The word "utility" or "utilities" as used in this Section 14.10 shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits.

14.11 Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units.

14.12 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 15

POWER OF ATTORNEY TO THE BOARD

15.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine): (a) to acquire or lease on behalf of all Unit Owners any Unit, together with its Appurtenant Interests (as hereinafter defined), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by the Board in its reasonable discretion; (b) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, whose owner elects to surrender the same to the Condominium Board; (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine; and (d) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority applicable

to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Board, in its reasonable discretion, deems necessary or appropriate.

15.2 Each Unit Owner shall grant to Declarant a power of attorney to amend this Declaration and to effectuate the rights granted to Declarant under this Declaration and the By-Laws and the Offering Plan and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from Declarant, or its successors or assigns, all or any portion of the Development Rights.

ARTICLE 16

ACQUISITIONS OF UNITS BY THE BOARD

16.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with its Appurtenant Interests; or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 17 and of any Rules and Regulations as may be adopted and amended from time to time, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Unit Owners of all or any part thereof, or interest therein, and their heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners,

tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Legal Requirements to the extent permitted under such applicable Legal Requirements with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

17.3 Subject to the provisions of Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Legal Requirements to the extent permitted under such applicable Legal Requirements 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 OF DECLARATION

Article 13 of the By-Laws is incorporated herein in its entirety; and, except as otherwise expressly set forth herein, the provisions thereof shall govern the amendment and/or modification of, addition to and/or deletion of any of the provisions of this Declaration.

ARTICLE 19

TERMINATION OF CONDOMINIUM

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

19.2 In the event of withdrawal of the Property from condominium ownership, and only to the extent the waiver of the right of partition shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if the Property were owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests, after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit, in the order of priority of such liens.

ARTICLE 20

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 21

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

ARTICLE 22

CERTAIN REFERENCES

22.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

22.2 The terms “herein,” “hereof” or “hereunder” or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Sections 17.2 and 17.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 24

COVENANT OF FURTHER ASSURANCES

24.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublesee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party (or the holder of a lien on its Unit) requesting the same, execute, acknowledge and deliver to such other party (or the holder of a lien on its Unit) such instruments, in addition to those specifically provided for herein, and take such other action, as such other party (or the holder of a lien on its Unit) may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, the Board and each Unit Owner shall be required, upon the request of Declarant or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with any Merger, any declaration of zoning lot restrictions, any ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

24.2 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which such Unit Owner or party is required to take pursuant to his Declaration and such failure continues for an additional ten (10) day period following receipt of a second written request therefor (together with written advice that the requesting party shall be entitled to take action upon the recipient’s failure or refusal to perform) then the Board is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

24.3 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which the Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 25

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "The Seymour Condominium." Sponsor (or its designee) shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. Only Sponsor (or its designee) shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor (or its affiliate(s)) as the sponsor of the Condominium and/or development of the Property, together with such other information as Sponsor (or its designee) determines in its sole discretion.

ARTICLE 26

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of some or all then Unsold Residential Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by merger, consolidation, sale, lease, assignment or otherwise. The rights and/or obligations of the Unit Owners or their designees as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of such Unit Owners or their designee(s).

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ____ day of _____, 20___.

261 OWNER LLC

By: _____
Name:
Title:

State of New York)
) ss.:
County of New York)

On the _____ day of _____ in the year 20__ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
(Signature and office of individual taking acknowledgment)

SCHEDULE A TO DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF The Seymour Condominium 261 West 25th Street NEW YORK, NEW YORK 10001

DESCRIPTION OF THE LAND

AS TO 267 West 25th STREET – (BLOCK 775 LOT 5)

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 95 feet easterly from the corner formed by the intersection of the northerly side of West 25th Street and the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 1/2 inches to a point:

THENCE easterly and parallel with the northerly side of West 25th Street a distance of 5 feet to a point;

THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 1/2 inches to a point on the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along the center line of the block between West 25th Street and West 26th Street a distance of 17 feet 4 3/4 inches to a point;

THENCE southerly along a line forming an interior angle on its westerly side of 91 degrees 03 minutes 10 seconds with the last mentioned line a distance of 98 feet 9 1/8 inches to a point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street a distance of 24 feet 2 1/2 inches to the point or place of BEGINNING.

Premises known as 267 West 25th Street, New York, New York 10001 and designated as Block 775, Lot 5 on the Land as shown on the Tax Map of the City of New York, County of New York.

Being the same premises conveyed to the grantors from RMN Realty Corp. by deed dated 3/4/96 and recorded 3/29/96 in Reel 2308 page 639.

AS TO 263-265 West 25th STREET – (BLOCK 775 LOT 6)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the County, City and State of New York, commonly known as and by street address number 263-265 West 25th Street, New York, NY, as more particularly described on Schedule A annexed hereto and made a part hereof.

TOGETHER with all rights, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the

AS TO 261 West 25th STREET – (BLOCK 775 LOT 8)

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the County, City and State of New York, commonly known as and by street address number 261 West 25th Street, New York, NY, as more particularly described on Schedule A annexed hereto and made a part hereof.

TOGETHER with all rights, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof;

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose. The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

SCHEDULE B

DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF
The Seymour Condominium
261 West 25th Street
NEW YORK, NEW YORK 10001

DESCRIPTION OF UNITS

[DESCRIPTION OF UNITS AND STORAGE AREAS BEGINS ON THE FOLLOWING PAGE]

SCHEDULE C

BY-LAWS OF 261 THE SEYMOUR CONDOMINIUM
261 West 25th Street
NEW YORK, NEW YORK 10001

[By-Laws attached on the following page.]

EXHIBIT 7

CONDOMINIUM BY-LAWS

BY-LAWS

OF

THE SEYMOUR CONDOMINIUM

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BY-LAWS

OF

THE SEYMOUR CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these By-Laws (the "By-Laws") is to set forth the rules and procedures concerning the conduct of the affairs of The Seymour Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 9,506 square feet of land (the "Land") which forms a part of Block 775, Lots 5, 6 and 8 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; the Condominium and these By-Laws shall be subject to the provisions of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration"), which will be recorded in the New York County office of the Register of the City of New York (the "Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration, or as defined in the Offering Plan if such term is not defined herein or in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease, sublease or license for, or the act of occupancy of, all or any portion of a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

1.3 Principal Office of the Condominium. The principal office of the Condominium shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 General Description of the Board.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the First Annual Meeting (as hereinafter defined) of Unit Owners, as provided in Section 3.1, the Board shall consist of five (5) persons.

2.1.2 Each member of the Board (a "member" or "Board Member"), except for the First Board (as hereinafter defined), as provided in Section 2.3 and except as otherwise provided herein, shall be elected at an annual meeting of the Unit Owners and shall serve until the expiration of their term in office on the third regularly scheduled annual meeting thereafter. Notwithstanding the expiration of the term of office of a member of the Board, each member shall serve until a successor for such member has been elected and qualified.

2.1.3 Except for any Member designated by Sponsor or its designee, all members of the Board must be: (i) individual Unit Owners or Permitted Mortgagees (as hereinafter defined) of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning or holding a Permitted Mortgage; (v) fiduciaries or beneficiaries who are Unit Owners or Permitted Mortgagees of Units (or directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) a family member (as defined in Section 8.7) who is an adult or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a Permitted Mortgagee of a Unit. Other than Board members designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above. As used herein, the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon in accordance with these By-Laws.

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

2.2 Powers and Duties of Board.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, (and in addition to all other powers and duties granted to the Board by law, the Declaration or these By-Laws) the Board shall be entitled to make determinations with respect to all matters relating to the operation and the affairs of the Condominium, including, without limitation, the following:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition and improvement to, and alteration and replacement of the Common Elements, in the condition and otherwise in such a manner that maintains standards of quality, service and appearance which are appropriate for a luxury condominium.

(b) The amount of Common Charges and any assessments.

(c) Collection of Common Charges and any assessments from Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, on behalf of all Unit Owners, those Units offered for sale or lease by, or Units surrendered by, the owners of such Units to the Board, or those Units with respect to which liens for real estate taxes are being sold.

(g) Purchasing Units at foreclosure or other similar sales (including, without limitation, in connection with the enforcement of the Board's lien for unpaid Common Charges), in the name of the Board or its designee, on behalf of all Unit Owners.

(h) Selling, leasing, mortgaging, refinancing and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the Board or its designee, on behalf of all Unit Owners; and subject to the rights of Declarant with respect to same, preparing, executing and administering Storage Licenses and assignments and assumptions thereof.

(i) Making repairs, restorations, additions and improvement to, and alterations and replacements of, the Common Elements.

(j) Making repairs, restorations, additions and improvements to, and alterations and replacements of, the Property or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(k) Enforcing obligations of Unit Owners.

(l) Levying fines against Unit Owners for violations of the Rules and Regulations (which fines shall constitute Common Charges payable by the Unit Owners against

whom they are levied); provided, however, that no fine for any single infraction shall exceed $250, subject to biannual increases based upon the CPI Increase Factor in effect as of the date of the First Closing (but every day that an infraction continues shall be considered a separate infraction subject to fine).

(m) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Article 6 hereof.

(o) Borrowing money, at any time, on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as provided in Section 8.6, the consent of at least sixty-six and two-thirds (66-2/3%) percent in common interest of all Unit Owners or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Limited Common Elements, respectively, if such borrowings are in excess of $100,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year or $250,000 (subject to increase by the CPI Increase Factor) in the aggregate (including borrowings from prior period) at any one time; and (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit. In addition to the debt described above, the Board, without approval of the Unit Owners may, at any time, incur, or refinance, debt from time to time secured by a lien on the Resident Manager's Unit or any other Unit acquired by the Board pursuant to the Declaration and/or these By-Laws; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements. If any sum borrowed by the Board pursuant to the authority contained in this subparagraph 2.2.2(o) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of either all Unit Owners or all Residential Unit Owners (depending on whether the borrowing was made on behalf of all Unit Owners or only the Residential Unit Owners, respectively), in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit**,** and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth in this subsection 2.2.2(o), and all other dollar amounts referenced elsewhere in these By-Laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor.

(p) Organizing corporations, limited liability companies and/or other entities to act as designees of the Board with respect to such matters as the Board may determine,

including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units acquired or leased by the Board on behalf of the Unit Owners.

(q) Execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting the Property or the Condominium which the Board deems necessary or appropriate to comply with the Legal Requirements applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting (x) the Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these By-Laws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these By-Laws) the Board determines that taking such action is appropriate.

(r) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to all Residential Units for the benefit and on behalf of the Residential Unit Owners, but only to the extent requested and authorized to do so, in writing, by the respective Owners thereof; and provided, in each case, that all such Unit Owners indemnify the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

(s) Commencing, prosecuting and settling litigation.

(t) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.4.

(u) Imposition, increase, decrease or elimination of move-in fees and charges, and transfer fees and/or "flip taxes" payable to the Managing Agent and/or the Condominium, in connection with the sale or lease of a Residential Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon Sponsor or its designee or any Units bought, sold or leased by the Board.

(v) Establishing, changing and otherwise making determinations with respect to reserves, including, without limitation, a general operating reserve or a reserve for working capital or for replacements with respect to the Common Elements.

2.2.3 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by the Board shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board, and the Board may employ one or more managing agents and/or managers (individually and/or collectively, the "Managing Agent"), at a compensation established by the Board, to perform such duties and services as the Board shall authorize. The Board may delegate to such Managing Agent or manager any powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (f), (g), (h) (k), (l), and (n) through (v).

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period (the "Sponsor Control Period") which shall end upon the later to occur of: (a) the fifth anniversary of the First Closing of title to any Unit, by the Sponsor, pursuant to an Agreement; or (b) the closing of title by Sponsor to Units representing more than 90% in number and in aggregate Common Interests of all Units, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable laws, statutes and ordinances, including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (other than the indebtedness in connection with the Resident Manager's Unit (as defined below), or unless any such borrowing is approved by the owners of Units representing at least seventy-five percent (75%) both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may perform any function or take any actions enumerated in subsections (i) through (v) hereinabove, without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Residential Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is sooner.

2.3 Number and Terms of Office of Members of the Board.

2.3.1 Until the First Annual Meeting held by the Unit Owners pursuant to the terms of Section 3.1 hereof, the Board (the "First Board") shall consist of three (3) persons designated by Sponsor from time to time. Prior to the First Annual Meeting, the terms of each member of the First Board shall expire annually and, subject to the other provisions of this Section, Sponsor shall have the right to designate the replacement for each such member, even though such replacement may be the same person. In accordance with the provisions of and

within the time periods set forth in Section 3.1, the First Board shall cause the President of the Condominium to call the First Annual Meeting of Unit Owners. The term of office of the three (3) members of the First Board so designated by Sponsor shall expire when the five (5) members to be elected and/or designated at the First Annual Meeting are so elected or designated, as the case may be, and qualified.

2.3.2 From and after the First Annual Meeting, the Board shall consist of five (5) persons elected by the Unit Owners (including Sponsor), subject to subsection 2.4.3 below. For so long as Sponsor is entitled to designate one Member, as provided for in subsection 2.4.3 hereof, the Board may not be expanded beyond five (5) members without the prior consent of Sponsor.

2.3.3 The term of office of each of the five (5) members comprising the Board will usually be three (3) years, except that the terms of office with respect to the first five (5) member board shall be fixed at the First Annual Meeting as follows: (a) two (2) of such members will serve for a term of approximately three (3) years; (b) two (2) of such members will serve for a term of approximately two years; and (c) one (1) of such members will serve for a term of approximately one year. At the expiration of the initial term of office of each member of the Board, each such member's successor will be elected (or designated, as the case may be) to serve for a term of three (3) years. The Members of the first Board elected at the First Annual Meeting who receive the highest number of votes will serve for the longest terms; but except as set forth in subsection 2.4.4 hereof, any members designated by Sponsor or its designee pursuant to the terms of subsection 2.4.3, will serve for the shortest terms. At each annual meeting of Unit Owners subsequent to the First Annual Meeting, the Unit Owners shall elect, subject to subsection 2.4.3 below, pursuant to the terms of Section 2.4 hereof, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three (3) years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board (including any Member designated by Sponsor, or its designee) may serve until his or her successor shall be elected and qualified.

2.4 Election of Board Members; Rights of Sponsor.

2.4.1 Subject to the terms of subsections 2.4.2, 2.4.3 and 2.4.4, all four (4) Members of the Board to be elected/designated by the Unit Owners shall be determined by plurality of the votes cast by the Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee owns at least one Unit) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present or not required.

2.4.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Units owned by such Unit Owner and the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.4.3 Notwithstanding any other provision of this Section 2.4 or of these By-Laws or otherwise to the contrary, at the First Annual Meeting and at all times theretofore and thereafter, Sponsor and/or its designee and/or any owner of Unsold Residential Units shall be able to vote in accordance with its/their ownership of Units and thus may be able to elect members of the Board by virtue of its/their ownership of Units. In addition, at elections of members to the Board held after the expiration of the Sponsor Control Period but while Sponsor and/or its designee still owns at least one Unit, Sponsor and/or its designee shall have the right to designate one (1) member of the Board, who may be related to or affiliated with Sponsor, such designee or other Unsold Residential Unit Owner; and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining members of the Board.

There is no restriction on the right of Sponsor and its designee(s) or any Unsold Residential Unit Owner to vote for members of the Board who are not related to or affiliated with Sponsor or such designee or Unsold Residential Unit Owner; however, after the expiration of the Sponsor Control Period, neither Sponsor nor its designee will designate a majority of the Members.

2.4.4 In the event that after notice of an annual meeting of Unit Owners is given to all Unit Owners in the manner prescribed by Section 3.4 of these By-Laws, the Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining Members of the Board shall fill any resulting vacancies at a special meeting of the Board held for that purpose promptly thereafter, even though the members of the Board present at such meeting may themselves constitute less than a quorum. The Board shall request the Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the Board. Any person so elected by the Board shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the term.

2.5 Resignation and Removal.

2.5.1 Any member of the Board may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the President or Secretary of the Condominium and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested by the resigning member, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2 Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any Member elected by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined.) Any Member who was designated or elected as such by Sponsor (or its designee), in Sponsor's capacity as a Unit Owner, pursuant to the terms of Sections 2.4 or 2.6, may be removed from office (x) for cause, by a Majority of Unit Owners and (y) without cause, only by Sponsor (or its designee). In the event of any removal described in

the previous sentence, whether with or without cause, Sponsor (or its designee) shall have the sole right to designate the replacement of the member which had been designated or elected by Sponsor (or its designee). Any Board member whose removal for cause has been proposed shall be given an opportunity to be heard at the meeting of Unit Owners at which such removal is to be considered.

2.6 Vacancies on Board. Subject to the provisions of Sections 2.3, 2.4 and 2.5, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee, as the case may be).

2.7 Organizational Meetings of Board. The first meeting of the Board following each annual meeting of Unit Owners shall be held within ninety (90) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the Members thereof, and no notice shall be necessary to the Board Members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least two (2) such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, nationally recognized overnight courier, electronic mail or facsimile, at least five (5) business days prior to the day named for such meeting.

2.9 Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving at least five (5) business days' prior written notice to each member of the Board, by personal delivery, nationally recognized overnight courier, electronic mail or facsimile, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of two (2) or more members of the Board.

2.10 Waiver of Notice. Any member of the Board may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver by such member of notice of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Board; Quorums.

2.11.1 Except as otherwise set forth in subsections 2.4.4., 2.6 and 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof

is present. At any Board meeting, a majority of the members thereof shall constitute a quorum except as may otherwise be provided herein, and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum exists or may reconvene the meeting to a time (specified on at least three (3) business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent members) when no quorum requirement shall apply. At any such adjourned meeting at which a quorum is present or is not required, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of the Managing Agent, building engineer or superintendent in connection with the affairs or operation of the Condominium (except in its or their capacities as Unit Owners), and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent only as agent for all Unit Owners, and that the Board members or the Managing Agent shall have no personal liability thereon (except in its or their capacities as Unit Owners) and may also state the applicable limitations of liability of the Unit Owners provided for in the next sentence; however, the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the Board or the Managing Agent or any greater liability on the part of any Unit Owner than as provided in the next sentence. The liability of any Unit Owner for any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and in each case, to the extent permitted by applicable law, the liability of any Unit Owner shall be limited to such Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for any such contract, act or omission.

2.13.2 Nothing in the preceding section shall limit a Unit Owner's liability for the payment of Common Charges. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for its or his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall

severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such Board member's own bad faith, willful misconduct, illegal acts, fraud or gross negligence. The Board may contract or effect any other transaction with any member of the Board, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.13.3 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other services to be provided or obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of the Board or such member thereof, as the case may be; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of the Board or such member thereof.

2.14 Crime Insurance/Fidelity Bonds. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance or bonds) at all times from and after the First Closing, and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint such committees as the Board may deem appropriate, each to consist of two or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers designated to it by the Board during the intervals between the meetings of the Board insofar as may be permitted by law. For so long as Sponsor is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one (1) of its members a member of the Board appointed by Sponsor.

2.16 Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation or organization of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

2.17 Incorporation and Organization of Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so organizes or incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of

the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these By-Laws; and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement.

2.18 Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.19 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable Legal Requirements, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was erroneously but in good faith counted for such purpose; provided, however, that both (A) either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, less the number of such Unit Owners who are also involved in such contract or transaction, shall in good faith authorize, approve or ratify such contract or transaction; and (B) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board or Unit Owner may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners, as applicable, which authorizes, approves or ratifies any such contract or transaction, but no such member or Unit Owner shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

2.20 Principal Office of Board. The principal office of the Board shall be located either within the Property or at such other place in the Borough of Manhattan, as may be designated from time to time by the Board.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners (the "First Annual Meeting") shall be held not later than 30 days following the earlier to occur of: (a) the second anniversary of the First Closing; or (b) the closing of title by Sponsor (or its designee), as seller, to Units representing more than 50%, both in number and in aggregate Common Interests of all Units, to Purchasers (as defined in the Offering Plan). At such meeting, a new Board shall be elected and/or designated (as provided in Sections 2.3 and 2.4) consisting of five (5) persons and the incumbent Board shall resign. Thereafter, annual meetings of Unit Owners shall be held within approximately four weeks after the anniversary of the First Annual Meeting in each succeeding year on a date to be set by the Board. At such meetings, the Unit Owners shall elect, or designate, as the case may be, successors to the members of the Board whose terms of office are due to expire on or about the day of such meeting or have already expired and there shall also be transacted such other business as may properly come before such meeting.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other place in the Borough of Manhattan as may be designated from time to time by the Board.

3.3 Special Meetings. The President or the Vice President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by Unit Owners owning Units representing not less than 50% of the Common Interests of all of the Units. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat, at their address at the Condominium (or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least 15 business days prior to the giving of notice of the applicable meeting). Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail, nationally recognized overnight courier or telecopy, at least 10 business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners in the manner provided above, at least thirty (30) days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Lack of Quorum. Subject to the terms and provisions of subsection 2.4.4, if any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote to either: (a) adjourn the meeting from time to time until a quorum exists; or (b) reconvene the meeting at a time (specified on not less than three (3) business days' notice, by personal delivery, nationally

recognized overnight courier or telecopy, to the absent Unit Owners) when no quorum requirement shall apply.

3.6 Order of Business. The order of business at all regular meetings of Unit Owners shall be as follows:

(a) Call to order.

(b) Roll call.

(c) Proof of notice of meeting.

(d) Reading of minutes of preceding meeting.

(e) Reports of officers.

(f) Reports of members of the Board.

(g) Reports of committees.

(h) Election of inspectors of election (when so required).

(i) Election of members of the Board.

(j) Unfinished business.

(k) New business.

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust, fiduciary or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate.

3.8 Voting.

3.8.1 Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to such Secretary by the Unit Owner who had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six (6) months (except that the designation of a Permitted Mortgagee to act as the proxy of its mortgagor shall be effective until duly revoked). A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.2 If two (2) or more persons or entities own a Unit, they shall designate one (1) person or entity amongst them to vote the entire Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon such designors. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of

such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

3.8.3 Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.4 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Residential Units) shall be entitled to cast one (1) vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units including without limitation, for each Board member to be elected.

3.8.5 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is described in terms of a percentage of a particular class of Unit Owners, as a group (e.g. x% of all Residential Unit Owners), as opposed to a percentage of all Unit Owners, such required percentage shall mean a percentage in terms of the total Common Interests attributable to the particular class of Unit Owners and not the percentage of Common Interests attributable to all Unit Owners.

3.9 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present or is not required.

3.10 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning Units to which more than fifty percent (50%) of the aggregate Common Interests attributable to all Units are appurtenant, shall constitute a quorum at all meetings of Unit Owners.

3.11 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, and Secretary/Treasurer thereof, all of whom shall be elected by the Board. The Board may elect more than one (1) Vice President, or an Assistant Treasurer, or Assistant Secretary and such additional officers as in its judgment may be desirable. Unless prohibited by applicable law, any two (2) or more offices of the Condominium may be held by the same

person. None of the officers of the Condominium need be Unit Owners or have any interest therein until the first organizational meeting of the Board, which shall be held within 90 days after the First Annual Meeting. Thereafter, the President of the Condominium must be a member of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organizational meetings thereof and at any other meeting as may be required to fill a vacancy, and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the First Board and shall hold office at the pleasure of such First Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the Board; such resignation shall take effect at the time specified and, unless specifically requested by the resigning officer, acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by these By-Laws with respect to designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a special meeting of the Board called for such purpose, at which a quorum is present or is not required pursuant to Section 2.11.2, any officer may be removed, either with or without cause, and his or her successor shall be elected.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as such President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President under whom he or she serves and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

4.6 Secretary/Treasurer. The Secretary/Treasurer of the Condominium shall keep the minutes of the meetings of the Unit Owners and of the Board. The Secretary/Treasurer shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. In addition, the Secretary/Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the Managing Agent or manager appointed by the

Board) in such depositories as may from time to time be designated by such Board and shall, in general, perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice-President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. In addition to the foregoing, the Board may authorize the Managing Agent serving on its behalf to execute checks, provided that the expenditures, and the Managing Agent's paying for same, have been approved in advance by resolution of the Board or have been authorized by two (2) officers of the Condominium.

4.8 Compensation of Officers. Except as otherwise determined by the Board, no officer shall receive any compensation for acting as such.

4.9 Liability of Officers.

4.9.1 To the extent permitted by applicable law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith, willful misconduct, illegal acts, fraud or gross negligence.

4.9.2 None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of such officer.

ARTICLE 5

NOTICES

5.1 Notices. Except as otherwise provided in these By-Laws: (a) all notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person (only in the case of a notice to any officer of the Board) or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the principal office of the Board (or to such other address as the Board may designate from time to time by

notice in writing to all Unit Owners and to all Permitted Mortgagees) and a duplicate shall be sent in like manner to the Managing Agent; (b) all notices required or desired to be given hereunder to any Unit Owner shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the address of such Unit Owner at the Property or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board; and (c) all notices required or desired to be given hereunder to Permitted Mortgagees shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to their respective addresses, as may have been designated by such Permitted Mortgagees from time to time in writing to the Board. All notices shall be deemed to have been given when delivered in person (to the extent permitted herein) or three (3) days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper, or the first business day after deposit with an overnight courier service, as the case may be, except that notices of change of address shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE CONDOMINIUM

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 The Board shall, from time to time, but at least annually, prepare or cause to be prepared a budget setting forth its projections of the costs and expenses associated with the repair, maintenance, replacement, restoration, care, upkeep and operation of, and any alteration, addition or improvement to, the Common Elements, the provision of services to Unit Owners and the business and affairs of the Condominium (the "Common Expenses") for the next fiscal year and will allocate and assess charges (such charges, together with all such other amounts denominated or payable as common charges in or under the Declaration or these By-Laws, being collectively, the "Common Charges") on the Residential Units. Residential Unit Owners will be assessed Common Charges to meet the Residential Units' allocated share of Common Expenses. The Common Charges payable by each Residential Unit Owner will be in proportion to such Residential Unit Owner's Unit's percentage Common Interest compared to the total of all Residential Units. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof.

6.1.2 The Board may, in its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners, and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion

thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. However, a prior period's deficit may be included in Common Charges for a subsequent period or levied from a special assessment levied against all Unit Owners or Residential Unit Owners, as the case may be.

6.1.3 The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of Common Charges is made shall be computed as set forth in these By-Laws. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses is made.

6.1.4 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2). All special assessments shall be levied against all Unit Owners (or, as applicable, all Residential Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.5 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Residential Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of all Unit Owners (in the case of any General Common Element) or the Residential Unit Owners (in the case of the Residential Limited Common Elements), and shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Building be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among the Residential Units as set forth in the footnotes to Schedule B in the Plan. The Common Charges payable by each Residential Unit Owner will be in proportion to such Residential Unit Owner's Unit's percentage Common Interests compared to the total Common Interests of all Residential Units, except as indicated in Section 6.1.3 above. The Board shall periodically, but not less than once per year, review the Common Expenses to determine whether each category of Unit Owners is paying its fair share of the Common Expenses. Such redetermination shall also be made if the owners of 50% or more in percentage Common Interests of Units request such a redetermination (which request may be made periodically, but not more often than once per year). If, as a result of a regular review, a redetermination based

upon changed circumstances, or a redetermination requested by Unit Owners, such Unit Owners and the Board cannot agree upon any decision or determination to be made, such redetermination shall be submitted for arbitration in accordance with the terms of Article 11 of these By-Laws. Pending the resolution of such dispute, the Unit Owners in question shall continue to pay Common Charges based upon the allocations theretofore in force, and any variation in such Common Charges based upon such resolution shall be retroactive to the date of the review, redetermination, or request for redetermination, as the case may be. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law.

6.2 Payment of Common Charges.

6.2.1 All Unit Owners shall be obligated to pay to the Board Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with these By-Laws) of such Unit, together with its appurtenant Common Interest, except as expressly provided herein. Any Unit Owner may, subject to the terms and conditions of these By-Laws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, on behalf of all Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided that no amounts are owing under any such lien); and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandoning its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition thereof, except that, to the extent permitted by law, a Permitted Mortgagee acquiring title to a Unit at a foreclosure sale shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges assessed against such Unit subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by such mortgagee; the foregoing is subject to the provisions of the last sentence of subsection 6.3.1 hereof. However, in the event of a foreclosure of a Unit by a Permitted Mortgagee (whether by sale, deed in lieu of foreclosure or otherwise) or by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale actually received (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred by such Permitted Mortgagee in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale, as provided in these By-Laws.

6.2.3 Notwithstanding the provisions of subsection 6.2.1, any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Board may use, apply, or retain the whole or any part of the security so deposited to the extent required for the payment of any Common Charges or any other sum as to which such Unit Owner is in default.

6.2.4 Sponsor reserves the right, in its sole and absolute discretion, to cause the Board to waive the collection of Common Charges for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period will be based on the actual costs of operating the Building and not on estimates set forth in Schedule B – Projected Budget for First Year of Condominium Operation." The Schedule B budget will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Units have been separately assessed. In all instances, the Unit Owners will remain responsible for the payment of real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior notice to Unit Owners terminate the Waiver Period.

6.3 Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1 Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner. Such lien for Common Charges shall be subordinate only to liens for real estate taxes and to prior recorded Permitted Mortgages, which are first mortgages of record.

6.3.2 In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay: (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than 10 days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid); and (b) interest at the rate of one and one-quarter percent (1.25%) per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (exclusive of any "late charges" theretofore assessed on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the Board or by the Managing Agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. In addition, if the Board shall bring an action to foreclose such lien because of unpaid Common Charges, the defaulting Unit Owner shall be required to pay a reasonable fee for the use and occupancy of its

Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and fees shall be added to and shall constitute Common Charges payable by such Unit Owner; and the lien for unpaid Common Charges shall also secure the payment of such additional sums. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges.

6.3.3 In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting on behalf of all Unit Owners, shall have the power (but shall not be obligated) to purchase any such Unit at the foreclosure sale thereof, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant thereto). In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit, as provided in these By-Laws.

6.3.4 For the purposes of this subsection 6.3.4, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

(a) If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or "late charges" (all of the foregoing, collectively, "Payments") for such Unit within sixty (60) days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) If the Payments for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has been elected by and from the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.

(c) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other Legal Requirements or agreement.

(d) Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-

occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

6.4 Insurance.

6.4.1 The Board shall be required to obtain and maintain, to the extent obtainable at commercially reasonable rates, and to the extent determined by the Board to be appropriate, the following insurance:

(a) All risk property insurance with common coverage extensions insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, improvements, appliances within a Unit or other personal property located within a Unit but not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the 100% replacement cost value of the Building (exclusive of foundation and footings), without deduction for depreciation. Such insurance shall include coverage for plate glass to the extent if any determined by the Board, as well as flood (including sewer backup) and earth movement coverage (which may contain a sublimit per occurrence and in the annual aggregate). Such insurance policy shall not include a co-insurance provision;

(b) Boiler and machinery insurance on a replacement cost basis with limits of not less than Building Limit for all mechanical and electrical equipment against physical damage and rent loss, covering the interests of the Condominium, the Board, Unit Owners and Permitted Mortgagees, as their respective interests may appear. Such insurance policy shall not include a co-insurance provision;

(c) Commercial general liability insurance against claims for personal injury, death or property damage as well as owned, hired and non-owned automobile liability occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, and including products and completed operations liability coverage all covering: (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the First Annual Meeting, such liability insurance shall be at least $10,000,000 with respect to any occurrence and $10,000,000 annual aggregate for this location, with umbrella liability coverage of at least $100,000,000 and at no time and in no event during this time period shall such general liability insurance afford protection to the limit of less than such amounts;

(d) Workers' compensation and New York State disability benefits insurance as required by applicable law; provided, however, that if the Board does not have any direct employees, such insurance may be purchased if the Board so determines on an "if any" basis;

(e) Crime or fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the foregoing with limits of not less than $250,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building;

(f) Directors' and officers' liability coverage with limits of not less than $1,000,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building;

(g) Terrorism coverage; and

(h) Such other insurance as the Board may determine advisable or necessary from time to time. The Board shall review the insurance being carried and limits thereof at least once each year.

6.4.2 Each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee, as its interest may appear, subject, however, to the loss payment provisions hereinafter set forth and shall be issued by an insurance company authorized to sell insurance in the State of New York, having an A.M. Best Company rating with respect to its financial strength of A:X or better. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests. In the event that assessing insurance premiums on the basis of Common Interests does not substantially reflect the premium charges for actual coverage for any of the Residential Units and the Board fails to agree on a manner to accurately allocate the premiums, the matter shall be determined by Arbitration.

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

6.4.4 All such policies shall provide that adjustment of loss shall be made by the Board. Insurance proceeds with respect to any loss shall be payable to the Board or Unit Owners entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust

company designated by the Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.7.

6.4.5 The amount of fire insurance and all risk property insurance with common coverage extensions to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property.

6.4.6 All policies of physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing.

6.4.7 Any insurance maintained by the Board may provide for such deductible amounts as the Board determines, taking into account market conditions and/or any such conditions that may be required by the holder of a mortgage covering the Building.

6.4.8 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.4.9 The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences within or about a Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain insurance covering personal property and other property and improvements in such Unit, as well as commercial general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive to his or her Unit, affording protection of at least $1,000,000 per occurrence plus at least $3,000,000 umbrella liability coverage which shall be issued by an insurance company qualified to do business in the State of New York and approved by the Board, acting reasonably; and the Board, the Managing Agent and Sponsor shall be named as additional insureds on such insurance policies. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense and the Board shall not be prohibited from carrying additional insurance; provided, however, all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit or the Common Elements appurtenant thereto shall contain a waiver of the insurer's rights of subrogation against the Board. The liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any party is insured, or required to be insured for loss or damage to property hereunder, each party will look to its own insurance policies for recovery.

6.4.10 All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any additional insurance carried by any Unit Owner or the Board. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Board certificates evidencing the insurance required to be maintained by such Unit Owner hereunder. Evidence of each renewal or replacement of a policy shall be delivered by Unit Owner to the Board at least ten (10) days prior to the expiration of such policy.

6.4.11 Any insurance coverage(s) required to be obtained by the Board may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with the construction of the Building, provided the limits and terms of such policy are adequate to meet the terms and conditions set forth in this Article 6. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

6.4.12 Until payment of the debt under the mortgage securing Sponsor's Construction Loan (the "Construction Mortgage") is made in full or until such mortgage is assigned by Construction Lender to Sponsor's designee, whichever occurs first, the Board must comply with the obligations the Construction Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period). For so long as Sponsor's Construction Loan is outstanding, Sponsor's Construction Lender shall have the right to serve as Insurance Trustee.

6.5 Repair or Reconstruction after Fire or Other Casualty.

6.5.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and seventy-five (75%) or more of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, improvements, betterments, equipment, furniture, furnishings within a Unit, or other personal property located in any such Unit) and any insurance proceeds arising from such casualty shall be paid to the Board or the Insurance Trustee (as defined in Section 12.7 below), as the case may be, provided that while Sponsor's Construction Lender is the Insurance Trustee all insurance proceeds shall be paid to the Insurance Trustee, who shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Residential Units, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.5.1 shall be lessened by such amounts as

may be required to discharge unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of priority of such liens.

6.5.2 If three-fourths or more of the Building is destroyed or substantially damaged and if seventy-five (75%) or more of all Unit Owners do not duly resolve within sixty (60) days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building (or so much thereof as remains) will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to the respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

6.5.3 As used in this Section 6.5, the words "promptly resolve" shall mean not more than 60 days after the date of the damage of destruction in question occurs.

6.5.4 Any dispute between the Board and a Unit Owner under this Section 6.5 shall be settled by Arbitration (as provided in Article 11).

6.6 Maintenance and Repairs.

6.6.1 Except as otherwise provided in the Declaration or these By-Laws: (a) all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances (i) in or to any Unit (other than, in general, to the Common Elements included therein) will be made by the Unit Owner of such Unit at its sole cost and expense; provided that, except in the case of work to be done in Unsold Residential Units, the Unit Owner thereof will utilize only such contractors, workers or suppliers as are approved by the Managing Agent or Board; (ii) in or to the General Common Elements will be made by the Board and the expense thereof will be charged to the Unit Owners as a Common Expense, or (iii) in or to the Residential Limited Common Elements (unless caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost) shall be made as follows: (1) a Residential Unit Owner having use of a Terrace/Residential Limited Common Element shall be responsible for ordinary maintenance and cleaning thereof including replacement of the Terrace surface; and (2) the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Terrace, including work necessary to repair any leaks (unless caused by or attributable to the Unit Owner thereof), shall be charged to all Residential Unit Owners as a Common Expense; (b) a Unit Owner shall not be responsible for the cost of painting, decorating, maintenance, repairs or replacements on or to any Unit other than to its own Unit (and any Residential Limited Common Elements included in or appurtenant to any such Unit), except to the extent otherwise provided herein; and (c) each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity of the Building), in each case, by the Unit Owner or the

Board, whichever is responsible, under these By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating, ventilation and air conditioning units in their respective Units.

6.6.2 Notwithstanding the provisions of subsection 6.6.1:

(a) In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof (including, without limitation, any Unit) is necessitated by or attributable to the negligence, misuse, neglect or abuse of (i) any one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, the entire cost thereof shall be borne entirely by such Unit Owner, or (ii) the Board or its tenants, agents, invitees, licensees or guests, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in any case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

(b) Except as may otherwise be expressly provided herein, no Residential Unit Owner may install, inscribe or expose any signage on or at any window or any other part of the Common Elements. Notwithstanding the foregoing, Sponsor and any holder of Unsold Residential Units and the Board shall have an easement to erect, maintain, repair and replace signs, notices, advertisements and illuminations on portions of the Property, including, without limitation, on the exterior of the Building, on or at windows and in interior public spaces of the Building (but in no event within the interior of or on the exterior of the Unit owned by any other party), for the purposes of advertising the availability of Units for sale or lease by Sponsor or its designee and/or, in the case of the Board, for any other valid business purpose.

(c) The Building does not feature a window washing rig. The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the building's windows.

(d) In the event that, under applicable Legal Requirements, any exterior windows in the Residential Units must be reduced in size or closed, the owner of the affected Unit shall solely bear the costs relating to such reduction or closure and, in the event that closure is required, such windows will be enclosed by the Board, at the sole cost of the affected Residential Unit Owner.

(e) Except as otherwise provided in Section 6.6.1, all normal maintenance, repairs and replacements of any Residential Limited Common Element appurtenant to a Unit shall be made by the Unit Owner having exclusive access thereto, at its own cost and expense; any structural or extraordinary repairs or replacements thereto (including, without limitation, leaks) shall be made by the Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Common Expense, unless due to the negligence, misuse, neglect or abuse of such Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such Unit Owner shall bear the entire cost thereof, and the same shall, for all purposes hereunder, constitute part of the Common Charges payable by such Unit Owner.

(f) Except as otherwise provided in Section 6.6.1, in the event that any portion of the glass of a Residential Unit's window is broken from the interior of such Unit (or otherwise due to the actions of such Unit Owner), the replacement and/or repair of such glass will be made by the Owner of such Residential Unit at his, her or its expense; and, in the event that any portion of the glass of a Residential Unit's window is broken from the outside of such Unit, the replacement and/or repair of such glass will be made by the Board and the expense thereof will be charged to the Residential Unit Owners as a Common Expense.

6.6.3 Each Unit and all portions of the Common Elements shall be kept in the condition and otherwise in such manner that standards of quality and appearance are maintained which are appropriate for a luxury residential condominium project (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof under the Declaration or these By-Laws, and such Unit Owner or the Board shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building it is required to maintain under the Declaration or these By-Laws; and (b) each Unit Owner, with respect to the windows and window shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit, as well as those other areas of such Unit and its appurtenant Residential Limited Common Elements (if any) which are exposed to public view. In order to promote a consistent appearance of the Building from the outside, unless waived by the Board, each Residential Unit Owner will be required to install and maintain window treatments having a neutral colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board. Neither the interior nor the exterior glass surfaces of any windows located in any Unit may be altered, colored or painted.

6.6.4 In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any of its obligations with respect to the maintenance, repair or replacement in or to its Unit as provided in this Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may perform or cause to be performed such maintenance, repair or replacement unless such Unit Owner, within ten (10) days after receiving notice of such default by the Board, (except in the event of an "emergency", i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the

Property or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary service in the Building or with respect to all or any portion of the Property), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences (within such ten (10) day period) and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred by the Board in connection with the making of any such maintenance, repair or replacement in or to such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible as aforesaid, together with interest thereon at the rate of one and one-half percent (1.5%) per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.7 Alterations of Units.

6.7.1 Except as otherwise provided in the Declaration or these By-Laws:

(a) No Residential Unit Owner (other than Sponsor or its designee as the owner of Unsold Residential Units) shall make any alterations, additions, installations, improvements, replacements or repairs (all of the foregoing being, collectively, "Alterations") in or to its Unit which affect the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems thereof), without obtaining the prior written consent of the Board thereto. Prior to, and as a condition of, the granting of its consent to the making of any such Alteration in or to a Unit, the Board, at its option, may require any Residential Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such Alteration may be made. Any Unit Owner seeking to perform such work requiring the consent of the Board shall be liable for all costs and expenses incurred by the Board in obtaining such consent.

(b) All repairs which would affect the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning system thereof, but excepting any system which exclusively serves the Unit in question) and all Alterations to any Residential Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board.

(c) The Board may impose fees upon any Unit Owner to reimburse the Condominium for costs incurred by the Board in connection with the review and supervision of such Unit Owner's work.

6.7.2 Alterations to Residential Units.

All Alterations by a Unit Owner shall be performed:

(a) at the Unit Owner's sole cost and expense (which shall include, without limitation, the reasonable costs of the Board incurred in reviewing and approving such Unit Owner's submission for approval (if such approval is required under these By-Laws) and in monitoring such Unit Owner's compliance with the provisions of this Section 6.7);

(b) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(c) only during such days and hours as may be specified by the Board in its reasonable judgment;

(d) only after obtaining such insurance, naming the Board, the Managing Agent and Sponsor as additional insureds, as the Board or the Managing Agent may require and indemnifying the Board, all other Unit Owners and the Managing Agent against any liability arising from the work;

(e) In the case of a Residential Unit**,** employing such architects, engineers, contractors, subcontractors, workers, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Board or the Managing Agent; and

(f) in compliance with the Declaration, these By-Laws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi-governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings and the boards of fire underwriters having jurisdiction thereof (all such laws, ordinances, orders, rules, regulations and requirements being sometimes hereinafter collectively referred to as "Legal Requirements"), including, without limitation, Legal Requirements relating to licensing of contractors, obtaining of all necessary governmental permits, authorization, certificate and licenses for the commencement and completion of any Alterations and obtaining of any amendment to the Certificate of Occupancy for such Unit, if necessary.

6.7.3 In addition to the requirements set forth above in this Section 6.7, the Board shall have the right to impose certain requirements in connection with Alterations of Residential Units, including but not limited to:

(a) the Residential Unit Owner shall deposit with the Board an amount equal to ten percent (10%) of the cost of completing the Alterations submitted for the Board's approval;

(b) the Residential Unit Owner shall be required to complete any Alterations within a reasonable amount of time as determined by the Board;

(c) the Residential Unit Owner shall obtain all necessary or required signoffs from the applicable governmental authority for any Alterations performed within thirty (30) days of completion of such Alterations; and

(d) the Board may impose a limit on the number of Units in the Building undergoing Alterations at the same time.

6.7.4 The Unit Owner performing, causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of: (i) any amendment

of the Declaration and the floor plans of the Condominium, if required by the Board or by any applicable Legal Requirements, to reflect any such Alterations, (ii) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (copies of which shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any Alterations), and obtaining any amendment to the Certificate of Occupancy for such Unit, if necessary; provided that no work or change by or on behalf of a Residential Unit Owner will be permitted without the consent of the Board (which consent may be withheld or conditioned in the sole discretion of such Board) if such work or change would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued; and (iii) in the case of a Residential Unit, any reasonable architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit Owner making, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost or expense either: (A) in connection with the preparation, execution or submission of the applications referred to above; (B) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or permitted or caused to be made by any Unit Owner; (C) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (D) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these By-Laws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relate to Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to indemnify, defend and hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense arising therefrom, and from and against any and all loss, cost, expense (including, but not limited to, attorneys' fees and disbursements), damage, injury or liability, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing.

6.7.5 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any Unit shall, if and to the extent required by Legal Requirements or such department or authority, be executed by the Board, in the case of any Alteration which such party has approved (or for which its approval is not required), provided that the Board shall not incur any liability, cost or expense in connection with or by reason of executing such application.

6.7.6 Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), however, Sponsor and its designees shall each have the right pursuant (and subject) to the terms of the Declaration, without the approval of the Board: (i) to make any Alterations in or to any Unsold Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, those required under the Offering Plan, any Purchase Agreement or otherwise); and (ii) to subdivide, combine and change the boundary walls of Unsold Residential Units. Additionally, any initial purchaser of any Unsold Residential Unit shall have the right, without approval of the Board, to make any Alterations in or to its Unit, provided that Sponsor or its designee has consented to the same in writing at or prior to the closing of title to such Unit (which consent may be withheld or conditioned in Sponsor's sole discretion), that such purchaser obtains all necessary approvals

required by law, and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.7 In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no Residential Unit Owner shall make any Alterations in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's requirements with respect to the same. Such requirements may include, without limitation, the following:

(a) such work not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued;

(b) such Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to ensure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the same with all governmental authorities having jurisdiction;

(c) such work not be commenced until such Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(d) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(e) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(f) promptly after the completion of such work, all necessary inspections and approvals of the same shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(g) such Unit Owner shall indemnify, defend and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of a Legal Requirement or due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such work or the failure to timely make all appropriate governmental filings in connection with the same; and

(h) all contractors shall be duly licensed to the extent required by applicable Legal Requirements and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly

at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such Alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the same, Sponsor shall be entitled to cause such work by such Unit Owner to be halted, including, without limitation, causing the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until such Unit Owner so complies. During the period until such Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to cause to be performed (whether by Sponsor, its designee or otherwise) any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's or its designee's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work so performed shall be borne by such Unit Owner and shall be paid to Sponsor within fifteen (15) days of Sponsor's written demand therefor.

6.8 Alterations to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise expressly provided in these By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Limited Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $250,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to these By-Laws (the "Residential Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. As of the date of recording of the Declaration and these By-Laws, Sponsor's Construction Lender is the sole Residential Mortgagee Representative. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges. Any additions, alterations, or improvements costing $250,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

6.9 Intentionally omitted.

6.10 Licensing and Use of Storage Bins and Bicycle Storage.

6.10.1 Permitted Licensees; Transfer

(a) To help protect the security of the Building, the holder of a license to use a Storage Bin or Bicycle Storage (collectively, a "Storage License") (other than Sponsor) must at all times be a Residential Unit Owner, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If the Board terminates a Storage License or a Residential Unit Owner surrenders a Storage License without assigning such license to another Residential Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin or Bicycle Storage, respectively, upon terms and conditions determined in its sole discretion. If at any time the licensee of a Storage Bin or Bicycle Storage sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin or Bicycle Storage, respectively, to another owner of a Residential Unit (or the purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the Storage License and take possession of the Storage Bin and/or Bicycle Storage, without compensation to the licensee.

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

(c) The Board has the authority to promulgate additional rules regarding the use of and access to the Storage Bins and the Bicycle Storage, and the procedures for assigning such Storage Licenses. If the Board terminates a Storage License or a Unit Owner surrenders a Storage License without assigning such license to another Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin or Bicycle Storage upon terms and conditions determined in its sole discretion.

6.10.2 Use. The Storage Bins and Bicycle Storage may be used only by occupants of the Units and only for storage of the personal effects of the owners or tenants thereof (or, in the case of Bicycle Storage, a bicycle), provided that no article or material that shall pose a threat to the health or safety of the Unit Owners or other occupants of the Building, or that shall cause the dissemination of noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Bin or Bicycle Storage. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins and Bicycle Storage for any lawful purpose or to change the permitted use of any unlicensed Storage Bins or Bicycle Storage, subject, however, to the provisions of the Declaration.

6.10.3 License Fee. Holders of Storage Licenses, excluding Sponsor with respect to unsold Storage Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, and $20 per month with respect to Bicycle Storage rack space, which amount shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the first

closing. Further, the license fee is subject to change from time to time as the Board deems necessary.

6.10.4 Copy to Managing Agent. Upon the issuance of a Storage License to a Residential Unit Owner or the transfer of a Storage License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage License.

6.10.5 Issuance. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Storage Licenses for Storage Bins and Bicycle Storage and to retain the proceeds thereof, if any. Thereafter, if the Board terminates a Storage License or a Unit Owner surrenders a Storage License without assigning such license to another Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin or Bicycle Sotrage upon terms and conditions determined in its sole discretion.

6.11 Use of Common Elements; Use of Adjacent Sidewalks.

6.11.1 Except as otherwise provided herein or in the Declaration, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.11.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.11.3 The Unit Owner or Unit Owners of any one or more Residential Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable Legal Requirements and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretions and shall not be required if the Unit Owner or Unit Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the Common Elements as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that notwithstanding the provisions of Subsection 6.1 hereof, such Unit Owner or Unit Owners, at its sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Unit Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Unit Owners cease(s) to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.11.4 Notwithstanding the foregoing, elevator landings which serve fewer than three (3) Units may be decorated and/or furnished by the adjoining Residential Unit Owners as they desire, at their expense, provided that each such Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Residential Unit Owners serviced by the same, the Residential Unit Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same

6.11.5 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the tenth (10th) Anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use portions of the General Common Elements, without charge, for exhibitions or for other promotional functions with respect to the sale and leasing of Unsold Residential Units.

6.12 Right of Access.

6.12.1 Each Unit Owner grants a right of access to its Unit to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, for the purposes, among others, of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and having a reasonable likelihood of causing damage to another Unit or all or any part of the Common Elements; performing maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building; reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit; provided that (a) requests for entry to any Unit are made not less than one day in advance and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the other Units for their permitted purposes. In case of an "emergency", as defined in subsection 6.6.4, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner or tenant is present.

6.12.2 Each Unit Owner grants a right of access to its Unit and, in the case of a Residential Unit, any Residential Limited Common Elements appurtenant thereto, and the Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of complying with and fulfilling each such party's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised by such party, with respect to any Unit or Residential Limited Common Element, in such a manner as will not unreasonably interfere with the use of the Unit or Residential Limited Common Element for its or their permitted purposes.

6.13 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Units and Common Elements. The Board may from time to time modify, amend or add to such Rules and

Regulations, except that (a) a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition and (b) no such adoption, modification, amendment or addition affecting Sponsor or the Unsold Residential Units may be made unless agreed to, in writing, by Sponsor or its designee. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

6.14 Real Estate Taxes, Water Charges and Sewer Rents.

6.14.1 Water and sewer services for the Building shall be supplied by the City of New York or other utilities servicing the Property. Unless and until water charges and sewer rents are billed directly to Unit Owners by the proper authority, the Board shall promptly pay such charges, together with all related sewer rents arising therefrom, and allocate such costs as a Common Expense among the Unit Owners, or the Residential Unit Owners, as applicable, as reasonably determined by the Board, based on Common Interests, and the Unit Owners shall be required to reimburse the Board, as a Common Charge, for their share of such charges and rents. In the event Sponsor pays such charges on behalf of the Board, (a) the Board and/or Unit Owners shall be required to reimburse Sponsor for such charges, or (b) Sponsor shall be entitled to offset the amount paid for such charges against future costs allocated to Sponsor.

6.14.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units in proportion to their respective Common Interests. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. In the event Sponsor pays such taxes on behalf of the Board, Sponsor shall be entitled to offset the amount paid against future costs allocated to Sponsor. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Residential Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense.

6.14.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.14.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Residential Units on behalf of and as agent for the respective Residential Unit Owners thereof, but only with respect to such Residential Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Residential Unit Owners making such request to the Board will share the costs in connection therewith in proportion to the benefits derived therefrom by

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

6.15 Electricity. Electricity for the Building shall be master metered and then submetered by the Board to each Unit. Notwithstanding the foregoing, electricity used by the heating and air conditioning system that serves a Residential Unit but is physically located outside such Residential Unit is allocated to each Residential Unit Owner using the air conditioning manufacturer's control system and associated software, and the costs associated with such electrical use will be allocated to each Residential Unit Owner by a third-party provider. Each Unit Owner shall be required to pay the bills for electricity consumed or used in its Unit as the Board directs. Consumption with respect to the Common Elements will be determined by a separate meter or submeter and allocated by the Board among the Units or the Residential Units, as applicable, on the basis of percentage of Common Interest.

6.16 Gas. Gas for the Residential Units shall be supplied and billed through two gas meters, one for gas provided to the H&V equipment and domestic water heaters and one for gas provided to the Residential Unit Owners' cooking appliances. The cost of gas utilized at the Building, shall be paid by the Board as a Common Expense and allocated among the Residential Units on the basis of percentage of Common Interests.

6.17 Dispute as to Utilities Charges. In the event that there is a dispute as to the accuracy of assessing the charges for a utility upon the basis of usage, and the disputing Unit Owners and/or the Board fail to agree on a manner to accurately allocate such costs, the matter shall be determined by Arbitration.

6.18 Remedies for Violations of By-Laws or Rules and Regulations by Unit Owners.

6.18.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws or the Declaration, (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the Board gives the Unit Owner notice (which may be by telephone, electronic mail or facsimile) that such violation exists, that repairs or replacements are necessary and that the Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.18.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.19 Intentionally omitted.

ARTICLE 7

MORTGAGES

7.1 Notice to Board. Each Unit Owner shall have the right to mortgage its Unit, subject only to the terms and conditions set forth in this Article 7. A Residential Unit Owner who mortgages its Unit, or the holder of such mortgage, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit, other than Permitted Mortgages. A Residential Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. As of the date of recording of the Declaration and these By-Laws, the Board is deemed to have been given (i) copies of the mortgage(s) encumbering all Units owned by Sponsor and/or Declarant as of the date thereof, along with the notes secured thereby, (ii) the addresses of the holder ("Sponsor's Construction Lender") of such mortgage(s) (which shall be as set forth in the recorded mortgages unless Sponsor's Construction Lender delivers or has delivered notice to the Board of one or more different addresses) and (iii) a request by Sponsor's Construction Lender for all notices to which mortgagees are entitled to receive hereunder, including, without limitation, pursuant to Section 7.2.

7.2 Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee of a Unit, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under any of the provisions of the Declaration or these By-Laws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any Permitted Mortgagee thereof, if so requested in writing by such Permitted Mortgagee; however, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by its mortgagor, provided that the Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure.

7.3 Performance by Permitted Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any Permitted Mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than two days a month.

7.5 Representatives of Mortgagees.

7.5.1 The holders of Institutional Mortgages constituting a majority of the outstanding principal amount of all Institutional Mortgages encumbering the Residential Units may, at their election, designate in writing to the Board one or more (but not more than three (3)) Residential Mortgagee Representatives, which Residential Mortgagee Representatives shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the Residential Units with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential Mortgagee Representatives are so designated and notice thereof is given to the Board, the act of any such Residential Mortgagee Representative (or a majority of such Residential Mortgagee Representatives, if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages encumbering the Residential Units. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units, (a) which is a Permitted Mortgage or a mortgage encumbering a Unit then owned by Sponsor or its designee, and (b) the initial holder of which is (i) Sponsor or its designee, (ii) a savings bank, savings and loan association, bank, trust company, insurance company, real estate investment trust or mortgage trust, in each case whether acting for its own account or as agent for other lenders, or (iii) a Federal, state, municipal, teachers', union or corporate employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Residential Mortgagee Representative shall remain effective until a subsequent designation is made pursuant to the provisions hereof and notice of such subsequent designation is given to the Board.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Sales and Leases of Units. No Unit Owner (other than Sponsor or its designee) may sell or lease its Unit except by complying with the provisions of this Article 8 and, specifically, this Section 8.1. Subject to the terms of Section 8.7 hereof, each Residential Unit Owner may sell its Unit, or lease its Unit for terms of one (1) year or more only (or for such other period of time as may be determined by the Unit Owners pursuant to an amendment of this provision in accordance with Section 13.1).

8.1.1 Subject to the terms of Section 8.8, any contract to sell a Residential Unit, together with its appurtenant Common Interest, or any lease of a Residential Unit (collectively,

the "Sale Agreement or Lease") shall contain the following provision: "This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of The Seymour Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of these By-Laws of The Seymour Condominium" (The Residential Unit Owner who has entered into a Sale Agreement or Lease is herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror.")

(a) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable courier providing overnight delivery; such notice shall be accompanied by a fully completed application package, which the Offeree Unit Owner shall obtain from the Managing Agent, together with a fully executed duplicate original of the Sale Agreement or Lease and any and all related agreements, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its Unit, together with its appurtenant Common Interest, or to lease its Unit, as the case may be, to the Board, or its designee, (as the representative of all Residential Unit Owners), upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board (as the representative of all Residential Unit Owners), that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall promptly submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such information, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by nationally recognized overnight courier, to such Offeree Unit Owner before the expiration of such twenty (20) day period either to purchase such Unit, together with its appurtenant Common Interest, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease, as such terms and conditions may be modified or supplemented by any additional information provided by the Offeree Unit Owner in response to the Board's requests for information as provided above.

8.1.2 If the Board shall timely elect to purchase such Unit, together with its appurtenant Common Interest, or to lease such Unit, as the case may be, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within sixty (60) days after the giving of notice by the Board of its election to accept such offer. However, if the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than sixty (60) days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease that are required to be performed by the Outside Offeror (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or

take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the Board, or its designee, as the representative of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, as tenant, covering such Unit, for the rental and term contained in the Lease.

8.1.3 If the Board or its designee shall fail to accept such offer within twenty (20) days after receipt of notice and all other documents and information to be provided under this Article 8, or waives such election in writing within such twenty (20) day period, the Offeree Unit Owner shall have until (a) an additional sixty (60) days after the earlier of (i) the expiration of such twenty (20) day period or (ii) the Board's waiver in writing by the Board or (b) such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such sixty (60) day period (or by such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable), so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these By-Laws and the Rules and Regulations, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5 Any Lease to an Outside Offeror shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of: (i) a default by the tenant in the performance of its obligations under such Lease or a default by or caused by such tenant under any of the provisions of these By-Laws; or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York, the Declaration, these By-Laws or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to the Declaration, these By-Laws and the Rules and Regulations. In the event a tenant under a Lease acts in violation of the provisions of the Rules and Regulations, the Board shall have the right to deny any request for renewal of the term of such Lease without having to waive its right of first refusal as is otherwise required pursuant to Sections 8.4 and 8.5 herein.

8.1.6 Except as hereinbefore set forth, the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7 If an Offeree Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock or if an Offeree Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case, other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board, as described in this Section 8.1.

8.1.8 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case may be, in the name of such Unit Owner as the purported seller or landlord, as the case may be. Such Unit Owner shall reimburse the Board for all expenses (including, without limitation, attorneys' fees and expenses) incurred in connection with such proceedings, promptly upon demand therefor. In no event shall any purported sale or lease of a Unit in violation of this Section 8.1 release the Unit Owner who is the purported seller or lessor, as the case may be, from any of its obligations under the Declaration or these By-Laws, whether or not such sale or lease is voided by the Board.

8.1.9 If the Board exercises its right of first refusal to purchase or to lease pursuant to Section 8, the Offeree Unit Owner shall have the right to proceed with sale or lease to the Board, or alternately, shall have the right to withdraw the Sale Agreement or Lease, as applicable, as presented to the Board. The Offeree Unit Owner must notify the Board of any such withdrawal within five (5) days of the Offeree Unit Owner's receipt of notice of the Board's exercise of its right of first refusal.

8.2 Consent of Unit Owners to Purchase or Lease of Units by Board. Subject to the remaining provisions of these By-Laws and the Declaration, the Board may not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of the Unit Owners. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners.

The Board, in its sole discretion and without the approval of the Unit Owners, may obtain and close on mortgage loan financing in such amount as it determines, subject to limitations hereafter set forth, to finance the purchase of any Unit as to which the Board exercises its right of first refusal pursuant to Section 8.1, provided that: (i) such mortgage is secured by a first lien on the Unit being purchased, and (ii) the principal amount of such

mortgage does not exceed the purchase price for the Unit plus the amount of closing costs incurred by the Board in connection with such purchase and related mortgage financing.

As to any purchase of a Unit by the Board, and related mortgage loan financing, pursuant to the exercise by the Board of its right of first refusal under Section 8.1: (i) the Board shall be required to comply with all terms related to financing of purchase of such Unit as are contained in the Sale Agreement for such Unit as negotiated by the Unit Owner and as presented to the Board pursuant to Section 8.1, and (ii) the Board shall be required to close on its purchase of such Unit within sixty (60) days of the date set for closing in such Sale Agreement or sixty (60) days of date of notification of exercise of right of first refusal, whichever is later.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section 8.1 hereof, subject to the provisions of subsection 8.1.3. The Board may establish reasonable fees for its consideration of any right of first refusal, which fees shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of Section 8.1 have been satisfied by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

8.6 Financing of Purchase, or Refinancing, of Units by Board. The purchase of any Unit together with its appurtenant Common Interest, by the Board or its designee, on behalf of all Unit Owners, may, at the option of the Board, be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Unit Owners. The Board may levy an assessment against each Unit Owner, in proportion to its respective Common Interest, as an additional Common Charge, and/or the Board, in its discretion, may finance the acquisition of

such Unit and subsequently refinance such Unit or refinance any loan secured by or relating to the Resident Manager's Unit (on such terms and in such amount(s) as the Board determines); provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property (except to the extent permitted by law) other than the Unit to be purchased or refinanced, as the case may be, together with its appurtenant Common Interest.

8.7 Exceptions. In addition to any other exceptions herein before set forth, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Unit, together with its appurtenant Common Interest, by: (a) the Residential Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (an "affiliate" being defined as for purposes hereof as a person or entity that owns fifty percent (50%) or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns fifty percent (50%) or more of the legal and beneficial interest) of the Residential Unit Owner thereof or the owner of any controlling interest in a Residential Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor or its designee with respect to Unsold Residential Units; (c) the Board; (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or (e) a Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its Unit shall be subject to, all of the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to the assignment of any Storage License, subject to the other restrictions with respect to the ownership of any Storage License set forth in these By-Laws, nor shall they apply to any lease, sale or conveyance of a Residential Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or sale in lieu of same. Notwithstanding the foregoing, the licensee of any Storage Bin or Bicycle Storage must also at all times be the owner of a Residential Unit, provided, however that the foregoing restriction shall not apply: (i) to Sponsor or its designee or (ii) to the Board or its designees. There are no restrictions upon the number of Storage Licenses any Purchaser may purchase at any time or from time to time.

8.8 Gifts, Devises and Intestate Transfers. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of Section 8.1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 8.

8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

8.10 Payment of Assessments. No Unit Owner shall be permitted to sell, convey, mortgage, pledge, hypothecate or lease its Unit unless and until it shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against its Units, other than Permitted Mortgages. Each Unit Owner shall notify the Managing Agent at least five (5) business days prior to the closing of any of the aforementioned transactions for confirmation of any unpaid amounts.

8.11 Mortgage of Units. Subject to Article 7 and Section 8.10, each Unit Owner shall have the right to mortgage its Unit without restriction.

8.12 Prohibition Against Advertising and Resales. Purchasers are prohibited from listing their Units for resale with any broker or otherwise advertising, promoting or publicizing the availability of their Units for sale prior to the closing of title thereto. In addition, for a period of 12 months after the closing of a Unit, the Purchaser of the Unit is prohibited from advertising, listing or selling such Unit.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such taking. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.7 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Residential Unit Owners with respect to any taking of Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five percent (75%) or more of Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless at least eighty percent (80%) in both number and aggregate Common Interests or more of all affected Unit Owners (including Sponsor or its designee, if they shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any condemnation awards shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be

necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The Board (or the Managing Agent) shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant or an independent certified public accounting firm, shall be submitted by the Board to all Unit Owners, and to all Permitted Mortgagees of Units, who have requested the same in writing. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours and upon reasonable prior notice.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Except as may otherwise be expressly provided in these By-Laws or the Declaration, any arbitration provided for in these By-Laws or the Declaration ("Arbitration") shall be expedited arbitration conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction; provided that, in the case of Arbitration of issues arising under Section 6.4 and 6.5, any arbitrator shall be a real estate professional, having ten (10) or more years' experience in the field of Manhattan residential real property. Notwithstanding the foregoing, any Arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the First Annual Meeting, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any Arbitration hereunder shall be conducted in New York City

before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his or her appointment.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the Arbitration or, if the position of neither party to a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the parties to the dispute. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. Subject to the foregoing, all costs and expenses paid or incurred by the Board in connection with any Arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Consents. Wherever the consent, approval or satisfaction of Sponsor or its designee is required under these By-Laws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Residential Units.

12.2 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

12.3 Captions. The index hereof and captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.4 Conflict. In the event the provisions of these By-Laws or the provisions of the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Certain References.

12.5.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.5.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these By-Laws in their entirety and not to the particular provision in which the terms are used.

12.5.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, subparagraphs or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.5.4 Unless otherwise expressly stated herein to the contrary, all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

12.6 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

12.7 Insurance Trustee.

12.7.1 General. The Insurance Trustee shall be a bank or trust company having an office located in the City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a commercial bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more, subject to increase by the CPI Increase Factor. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. Notwithstanding the foregoing, for so long as Sponsor's Construction Loan is outstanding, Sponsor's Construction Lender shall have the right to serve as Insurance Trustee until Sponsor's Construction Lender gives notice to the Board of its resignation as Insurance Trustee.

12.7.2 Liability of Insurance Trustee. The Insurance Trustee shall not be liable or accountable for any action taken or disbursement made in good faith by the Insurance Trustee, except that arising from its own gross negligence or willful misconduct. The Insurance Trustee's reliance upon advice of independent competent counsel shall be conclusive evidence of good faith, but shall not be the only manner in which good faith may be shown. The Insurance Trustee shall have no affirmative obligation to prosecute a determination of the amount of, or to effect the collection of, any insurance proceeds or condemnation awards unless the Insurance Trustee shall have been given an express written authorization from the Board. In addition, the Insurance Trustee may rely conclusively on any certificate furnished by a licensed architect or a licensed

professional engineer or engineering or construction consulting firm providing engineering and/or architectural services retained by the Board, who or which is experienced in the design and operation in the City of New York of structures similar to the Building (a "Certifying Professional") to the Insurance Trustee which appears on its face to have been properly furnished in accordance with the provisions hereof and shall not be liable or accountable for any disbursement of funds made by it in reliance upon such certificate or authorization.

12.7.3 Indemnification of Insurance Trustee. In consideration of the services rendered by the Insurance Trustee, the Board may agree to indemnify and hold harmless the Insurance Trustee from any and all damage, liability or expense of any kind whatsoever (including, but not limited to, reasonable attorneys' fees and expenses) incurred in the course of Insurance Trustee's duties hereunder or in the defense of any claim or claims made against Insurance Trustee by reason of its appointment hereunder, except where due to the gross negligence, bad faith failure to act or willful misconduct of the Insurance Trustee.

12.7.4 Appointment of Successor Insurance Trustee. The Insurance Trustee may resign by serving not less than thirty (30) days' prior notice to the Board. Within such thirty (30) day period, the Board shall appoint a substitute who qualifies as a Insurance Trustee, and the resigning Insurance Trustee shall transfer all funds, together with copies of all records, held by it as Insurance Trustee to such substitute, at which time its duties as Insurance Trustee shall cease. If an Insurance Trustee is not appointed within the thirty (30) day period, the resigning Insurance Trustee shall continue to hold, receive and invest any funds payable to the Insurance Trustee hereunder but shall have no other duties or obligations as Insurance Trustee other than to invest the funds as herein provided and to transfer all funds and records to the new Insurance Trustee when selected. The Insurance Trustee may, after not less than twenty (20) days prior written notice to the Board (given no sooner than forty (40) days after the resignation notice referred to above), deposit such funds with either a court of competent jurisdiction or with a bank or trust company in New York, New York who qualifies as an Insurance Trustee.

12.7.5 Disbursement Requests. Each request pursuant to the provisions of these By-Laws for disbursement of insurance proceeds, or any condemnation awards deposited with the Insurance Trustee, including any interest or income earned thereon (the "Restoration Funds") for application to the cost of construction, repair, restoration or demolition including the non-construction costs related thereto (the "Restoration Work") shall be accompanied by the certificates required under this Subsection 12.7 and otherwise comply with the provisions of this Section. Before disbursing any Restoration Funds pursuant to the provisions of these By-Laws, the Insurance Trustee shall obtain from the Board a current list of all Permitted Mortgagees.

12.7.6 Application for Disbursement for Restoration Funds. Subject to the provisions below, the Insurance Trustee shall disburse the Restoration Funds in connection with the Restoration Work, in installments as the Restoration Work progresses, to the Board, in accordance with the provisions of this Section. Each Restoration Funds Request (as hereinafter defined) shall be sent to each mortgagee. Each party entitled to receive a Restoration Funds Request shall also, upon request receive the accompanying documents set forth in Section 12.7.7. Advances by the Insurance Trustee shall be made not more than once a month, after the Insurance Trustee's receipt of a written request therefor from the Board, addressed to the Insurance Trustee (each such request being herein called a "Restoration Funds Request"). Each

Restoration Funds Request shall be sent to each mortgagee who has requested such copies of the Board.

12.7.7 Conditions Precedent to Disbursement of Restoration Funds. The following are conditions precedent to each payment of Restoration Funds requested to be made pursuant to a Restoration Funds Request:

(a) Certificate of Certifying Professional. The Restoration Funds Request shall be accompanied by a certificate, dated not more than ten (10) days prior to such request, by the Certifying Professional stating, based upon a site observation of the Building made not more than twenty (20) days prior to the Restoration Funds Request, that:

(i) The amount then requested to be paid either has been paid by the Board, or is justly due to contractors, subcontractors, materialmen, engineers, architects or other persons (whose names and addresses shall be stated), who have rendered or furnished services or materials for the Restoration Work pursuant to signed approved contracts approved, based on the Certifying Professional's estimated value of the work in place, giving a brief description of such services and materials and the principal subdivisions or categories thereof and the several amounts so paid or due to each of such parties with respect thereto, any retainage, and stating, in reasonable detail, the progress of the Restoration Work in connection with the restoration up to the date of the certificate.

(ii) Except in the case of the final request for payment by the Board, the balance of the Restoration Funds held by the Insurance Trustee (including any funds or other security provided by the Unit Owner(s) or the Board in accordance with the terms hereof) shall be sufficient, upon completion of the Restoration Work, to pay for such work in full, and estimating, in reasonable detail, the total and remaining costs to complete such Restoration Work.

(iii) In the case of the final request for payment by the Board, the Restoration Work shall have been fully completed (including "punchlist items") in accordance with the provisions of this Declaration).

(iv) That all permits and approvals required for the Restoration Work to date have been issued.

(v) That any lien waivers required pursuant to clause (c) below have been obtained.

(vi) In connection with a request for the payment of any retainage, a certification that the work required to be performed

has been fully completed (including any punch list items) for a period of not less than thirty (30) days.

(b) Certificate of Title Insurance. The Restoration Funds Request shall be accompanied by a report, search or certificate, dated not more than five (5) days prior to such request, of a title insurance company reasonably satisfactory to the Board showing that there are no vendor's, mechanic's, laborer's or materialman's liens filed against any Unit, except such as will be discharged upon payment of the amount then requested to be disbursed.

(c) Lien Waivers. The Restoration Funds Request shall be accompanied by waivers of all mechanic's and other similar liens with respect to all of the Restoration Work for which a Restoration Funds Request has previously been made and funded.

12.8 Successors and Assigns. The rights and obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, any transferee of ten (10) or more Units or twenty percent (20%) or more of the total number of Units in the Condominium. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

12.9 Covenant of Further Assurances.

12.9.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.9.2 If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action which such Unit Owner or other party is required to perform pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, on behalf of such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

12.10 Mold. Unit Owners are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner’s Unit. Sponsor will not be liable for any actual,

special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor.

ARTICLE 13

AMENDMENTS TO BY-LAWS

13.1 Amendments by Unit Owners.

13.1.1 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting, among other things, Sponsor (or its designee), any Unsold Residential Units, and provided that required consents of the Residential Mortgagee Representatives, if any, are obtained, any provision of the Declaration, these By-Laws or the Rules and Regulations may be amended, modified, added to or deleted by the affirmative vote of at least sixty-six and 2/3 percent (66-2/3%) in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Residential Units, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Residential Unit Owners, or all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded.

13.2 Amendments Affecting Sponsor or its Designee.

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

13.2.2 If the number of rooms in an Unsold Residential Unit is changed, or the size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interest in the Common

Elements is reapportioned as a result thereof, all in accordance with Article 9 of the Declaration, then Sponsor or its designee shall have the right to execute, or (upon its request) to require any other Residential Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Board, any other Unit Owners or the Residential Mortgagee Representative(s), other than Sponsor's Construction Lender.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of Sections 6.1, 6.2.2 or 6.4, Article 7, or clauses (d) and (e) and the second sentence of Section 8.7, Section 12.7, or any other provisions hereof specifically giving rights to any Permitted Mortgagee, of these By-Laws shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

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

13.5 Consents of Sponsor . The provisions of: (a) this Article 13 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee.

EXHIBIT A

RULES AND REGULATIONS OF
The Seymour Condominium

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose by Unit Owners and their invitees other than the respective purposes for which they were intended. There shall be no blocking of entranceways, passageways or vestibules, and no waiting or loitering in the lobby and no double parking of limousines, trucks or cars in the front of the Building.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire landings of the Building nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of any Units of the Building.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, lobbies, elevators, vestibules, corridors, fire landings of or serving the Building.

4. No public hall or public elevator vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner, except as otherwise expressly provided in these By-Laws.

5. Each Unit Owner shall keep his or her Unit (and any Residential Limited Common Element appurtenant thereto) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. No window guards or other window decorations shall be used in or about any Unit, unless otherwise required by applicable Legal Requirements and as approved by the Board. However, each Resudential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window guards installed in the Unit and shall not remove the same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent. Residential Unit Owners are not permitted to hang window treatments from the window wall or frame. All window treatments must be secured either from the ceiling above the window or the adjacent wall. All window treatments must have a white-colored backing on the sides facing the windows of the Unit.

7. No radio, television or other aerial, satellite dish, disk or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of any Unit or anywhere in or on the Building, except such as are permitted pursuant to the Declaration or these

By-Laws or shall have been approved in writing by the Board or the Managing Agent; nor shall anything be projected from any window of any Unit.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board; and no "window" air-conditioners of any kind shall be permitted.

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

10. No mopeds, motorcycles, bicycles, scooters or similar vehicles shall be taken into or from the Building through the main Building entrance or be allowed in the lobby or in the passenger elevator, except in the case of a bicycle, such bicycle is being taken to or from the residents' bicycle storage area, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, vestibules, corridors or other public areas of the Building. The service entrance is the only means by which bicycles should be transported in and out of the Building. Unit Owners or occupants of a Unit (including children) will be subject to a fine of $50 per person each time that they or their guests are found in the lobby with a bicycle, scooter or tricycle or wearing rollerblades.

11. No Unit Owner shall make or permit any disturbing or objectionable noises, odors or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners or their tenants or occupants. Without limiting the foregoing, no Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph, stereo system, or radio or television set or other loudspeaker in such Unit Owner's Unit between 10:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 4:00 P.M., unless such construction or repair work is necessitated by an emergency or is being performed by or on behalf of the owner of any Unsold Residential Units, by Sponsor or its designee (after obtaining the consent of Sponsor or the Board as applicable).

12. The hours of use for the courtyard on the 2nd Floor of the Building shall be from 8:00 A.M. to 8:00 P.M., or as otherwise indicated by the Board from time to time.

13. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall be permitted, kept or harbored in a Unit unless the Board or the Managing Agent in each instance has expressly consented in writing. Such consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time, for cause. Notwithstanding the foregoing, a Residential Unit Owner may

keep as pets in his or her Unit not more than two (2) domestic dogs, domestic cats, caged birds and fish, provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one week after notice from the Managing Agent. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Building, other than the elevators designated by the Board or the Managing Agent of the Building for that purpose, or in any of the public portions of the Building, unless carried or on a leash. Any Unit Owner in the public portions of the Building with an animal that is unleashed and not carried shall be fined $50. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps (or permits to be kept) any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board, which agreement may set forth such other rules regarding pets as the Board shall deem suitable and require the Unit Owner to indemnify, defend and hold harmless the Building, the Board, all Unit Owners and the Managing Agent of the Building from all claims and expenses resulting from the acts or presence of such pet.

14. Service personnel, messengers and tradespeople visiting or residing in the Building may be required to use the service elevator for ingress and egress, and shall not use the main passenger elevator for any purpose, except that nurses in the employ of Unit Owners or their guests or tenants may use the main passengers elevator when accompanying the Unit Owner, guest or tenant.

15. All service and delivery persons will be required to use the service entrances to the Building. All packages, including, without limitation, those containing perishable items, delivered to Units by outside personnel must be delivered to the area therefor designated by the Board or the Managing Agent. Deliveries will be made from such area to individual Units only by Building personnel as otherwise directed by Building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not occupied or delivery is declined, the package will be held in the designated area until the resident or authorized person returns or requests delivery, except in the case of perishable items which will be held in the designated area for no longer than twenty-four (24) hours. After said twenty-four (24) hour period, the perishable item shall be disposed of by Building personnel. Building personnel will not be responsible for packages held in the package room for more than seventy-two (72) hours. No large deliveries will be accepted for a Unit Owner (or occupant of a Unit) unless such Unit Owner (or occupant) has made prior arrangements with the Building staff.

16. Trunks and heavy baggage shall be taken in or out of the Building by the service elevator, and through the service entrance only.

17. No refuse shall be removed from the Units except at such times and in such manner as the Board or the Managing Agent may direct.

18. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

19. No occupant of the Building shall send any employee of the Building or of the Managing Agent out of the Building on any private business.

20. The agents of the Board or the Managing Agent, and any contractor or worker authorized by the Board or the Managing Agent and accompanied by an agent of the Board or the Managing Agent, may enter any room or 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.

21. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

22. The Board or the Managing Agent shall retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under these By-Laws or Declaration, and the Unit Owner has not furnished a key to the Board or the Managing Agent, then the Board or the Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (provided that during such entry reasonable care is given to the Unit Owner's property).

23. Complaints regarding Building services shall be made in writing to the Board or to the Managing Agent.

24. No Unit Owner or any of his or her agents, servants, employees, licensees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance.

25. If any key or keys are given or lent by a Unit Owner or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit, automobile, trunk or other item of personal property, the use of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the Managing Agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

26. Nothing shall be done or kept in any Unit which would increase the rate of insurance of the Building or contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his or her Unit which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

27. Unit Owners shall comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to recycling of

waste and refuse, including, without limitation, the separation of trash into "recyclable" and "non-recyclable" materials and/or categories of each of same. The Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Unit Owners for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Board may also establish other rules and regulations regarding the recycling and disposal of trash. Any costs incurred by the Board to enforce the rules and regulations of the Board or the requirements of applicable Legal Requirements regarding the recycling of trash against a Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the Unit Owner as additional Common Charges. Unit Owners will comply with the following procedures with respect to the disposal of refuse: (a) wrap dust, flour and powdered waste before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the designated refuse area; (d) crush into tight bundles all loose papers before placing the same in the designated refuse area; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive or otherwise hazardous nature therein. Any refuse not disposable by depositing same in the designated refuse area must be picked up directly from the Unit by Building personnel at such times and in such manner as the Board or the Managing Agent shall determine.

28. Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority, including without limitation, those with respect to window guards and notices of emergency access and egress.

29. Except as otherwise expressly provided in these By-Laws and the Declaration, Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

30. The Board shall have the right from time to time to relocate any portion of the Common Elements used by the Building for storage or service purposes.

31. All firearms are banned from the Building. No Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall at any time have or harbor firearms while in the Building, except as approved by the Board.

32. No Unit Owner, tenant or occupant of a Unit shall conduct any group tour, exhibition or open house of any Unit or its contents or any auction sale in any Unit, without the prior consent of the Board or the Managing Agent.

33. In the event that any Residential Unit is used for home occupation purposes or other purposes which are permitted by Legal Requirements or court order, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

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

35. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, the Building or the preservation of good order therein, or the operation or maintenance of the Condominium, the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other Unit Owner or other occupant.

36. Notwithstanding any references to "Unit Owner" in these Rules and Regulations, the Rules and Regulations of the Condominium shall be binding upon all tenants, guests and other occupants of the Condominium. Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Rules and Regulations by members of their families, guests, invitees, tenants, employees, agents, visitors and any other occupants of their Units.

37. With respect to any Unit to which there is a Terrace appurtenant, the following additional rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof; any planting/landscaping must comply with all Legal Requirements (including the Zoning Resolution). Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to cause water leakage. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Terraces must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the Terrace walls, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Terrace wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace; any appropriate furniture including tables, chair cushions and umbrellas may be left on the Terraces only if properly secured. No items can be placed on the Terrace parapet wall and/or railing. In no event shall any Unit Owner be permitted to enclose any Terrace (except to the extent that such Terrace was enclosed by Sponsor) or erect any structure on any Terrace. No portion of any Terrace may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Terrace. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Terrace. No unattended animals, which include but are not limited to dogs, cats, birds, are allowed on any Terrace.

38. Unless expressly authorized by the Board in each case, at least eighty percent (80%) of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

39. With respect to any lease (and lease renewal) which, pursuant to these By-Laws, is subject to the Board's review and right of first refusal, a fee for any such lease (or renewal of a lease) as determined by the Board from time to time, shall be payable. Any such Unit Owner that has entered into or renewed a lease with a tenant and has not submitted the lease (or lease

renewal) to the Managing Agent will have thirty (30) days from the date notified by the Managing Agent to submit the lease or the renewal. In the event that any such Unit Owner does not submit such lease or lease renewal to the Board within such thirty (30) day period, such Unit Owner shall be subject to a fine as determined by the Board from time to time, and further action by the Board.

40. Horseplay, ball playing, running or objectionable behavior (such as the use of loud boisterous, obscene, or offensive language) in any area of the pool, Fitness Center, Children's Playroom, and the courtyard at the 2nd floor of the Building is strictly prohibited.

41. Violations of the these Rules and Regulations will result in a fine in an amount to be determined by the Board from time to time levied against the offending Unit Owner (or Unit Owner responsible for the offending party) for each violation. Continued violations may result in suspension or revoking of a Unit Owner's privilege to use the various Building amenities by the Board.

42. For purposes of these Rules and Regulations, "Unit Owner" is deemed to include a spouse of a Unit Owner, or children's caregiver who is over the age of eighteen (18), as well as any resident living in the Building pursuant to a lease.

43. **The following Rules and Regulations are applicable only to the Fitness Center**:

(a) Use of the Fitness Center is restricted to individuals of at least sixteen (16) years of age.

(b) Personal trainers must submit proof of certification and insurance to management before using the Fitness Center and must at all times while using the Fitness Center be accompanied by the Unit Owner being trained. Personal trainers may not work out in the Fitness Center at any time.

EXHIBIT 8

CERTIFICATIONS

8A Sponsor and Principal

8B Sponsor's Architect

8C Sponsor's Expert Concerning Adequacy of Budget

EXHIBIT 8A

Sponsor and Principal

261 Owner LLC
c/o The Naftali Group, 1700 Broadway, 16th Floor
New York, New York, 10019

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO SECTION 20.4(b) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

February 20 2014

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

Re: 261 West 25th Street Condominium
261 West 25th Street, New York, New York

The undersigned certify as follows:

We are the sponsors and the principal of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for complying with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

1. set forth the detailed terms of the transaction and be complete, current and accurate;

2. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

3. not omit any material fact;

4. not contain any untrue statement of a material fact;

5. not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

7. not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

261 Owner LLC
a Delaware limited liability company

By: Miki Naftali
Title: Manager

PRINCIPAL:

Miki Naftali

Sworn to before me this

20 day February, 2014

Notary Public

EVA MALACHI
Notary Public
State of New Jersey
No. 2958689.2
My Commission Expires Aug 26, 2014

EXHIBIT 8B

Sponsor’s Architect

Goldstein Hill & West Architects, LLP
11 Broadway, Suite 1700
New York, New York 10004

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20.4(c) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

July 2, 2014

New York State Department of Law
120 Broadway
New York, New York 10271
Att.: Investment Protection Bureau

Re: 261 West 25th Street, New York, New York, 10001

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We have examined the building plans and specifications that were prepared by Goldstein Hill & West Architects, LLP and dated March 20, 2014 and prepared the Report dated May 5, 2014, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are a registered architect in the State in which the property is located.

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

We have read the entire Report and together with the Consulting Engineers (WSP Group Structural Engineers and Buro Happold Consulting Engineering PC) investigated the facts set forth in the Report and the facts underlying with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. We certify that the Report based on our visual inspection:

(i) sets forth in narrative form the physical condition of the entire property as it will exist upon completion of construction and renovation, provided that construction and renovation is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of construction and renovation, provided that construction and renovation is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

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

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

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

(vii) does not contain any representation or statement which is false where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

Name: [illegible]
Title: PARTNER

Sworn to before me this 2ND
day of July, 2014

Notary Public

SARAH LADNER GOMEZ
NOTARY PUBLIC-STATE OF NEW YORK
No. 01LA6123251
Qualified in Kings County
My Commission Expires 5/26/17

EXHIBIT 8C

Sponsor’s Expert Concerning Adequacy of Budget

SANDBERG MANAGEMENT CORPORATION
345 SEVENTH AVE, 8TH FLOOR
NEW YORK, NY 10001

CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF CONDOMINIUM BUDGET PURSUANT TO SECTION 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

February 4, 2014

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

Re: 261 West 25th Street Condominium
261 West 25th Street, New York, New York 10001

Sandberg Management Corp. is a licensed real estate brokerage firm in the State of New York. Our firm is in the real estate management business for a period in excess of eighteen (18) years. We currently manage and in the past have managed residential brownstone and conventional elevator and non-elevator apartment buildings which are operated in the cooperative or condominium form of ownership, many of which contain commercial property

The sponsor of the condominium offering plan for the above captioned property retained us to review Schedule B (together with the notes thereto, the "Schedule B") to the offering plan containing projections of income and expenses of the Condominium for the fiscal year commencing January 1st 2016 and ending December 31st 2016, the projected first year of Condominium operation.

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedule B.

We have reviewed the Schedule B and investigated the facts set forth in the Schedule B and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing mixed use and residential buildings in Manhattan.

We certify that the projections in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the projected first year of Condominium operation.

We certify that the Schedule B:

(i) sets forth in detail the projection of income and expenses for the projected first year of Condominium operation;

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

(iii) does not omit any material fact;

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

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the projected first year of Condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Sandberg Management Corp.

By: _____
Name: Louis Sandberg
Title: President

Sworn to before me this
5 day of February 2014

_____
Notary Public

YEKATERINA SHTERENBERG
Notary Public, State of New York
No. 01SH6242719
Qualified in Kings County
Commission Expires 06/06/20 15

EXHIBIT 9

ZONING LOT DEVELOPMENT AGREEMENT

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2012123101109014009EEEAB

RECORDING AND ENDORSEMENT COVER PAGE **PAGE 1 OF 112**

Document ID: 2012123101109014 Document Date: 12-20-2012 Preparation Date: 01-18-2013
Document Type: AGREEMENT
Document Page Count: 110

PRESENTER:	**RETURN TO:**
ROYAL ABSTRACT OF NEW YORK LLC (PICK UP/RANDY) 500 5TH AVENUE SUITE 1540 NEW YORK, NY 10110 902825	ROYAL ABSTRACT OF NEW YORK LLC (PICK UP/RANDY) 500 5TH AVENUE SUITE 1540 NEW YORK, NY 10110 902825

PROPERTY DATA

Borough	Block	Lot		Unit	Address
MANHATTAN	775	9	Entire Lot		245 WEST 25TH STREET
Property Type: OTHER Air Rights					
Borough	**Block**	**Lot**		**Unit**	**Address**
MANHATTAN	775	6	Entire Lot		263 WEST 25TH STREET
Property Type: COMMERCIAL REAL ESTATE					

x Additional Properties on Continuation Page

CROSS REFERENCE DATA

CRFN_____ *or* Document ID_____ *or* _____ Year____ Reel ___ Page____ *or* File Number_____

PARTIES

PARTY 1:	**PARTY 2:**
245 OWNER LLC C/O NAFTALI GROUP LLC, 1700 BROADWAY, 16TH FLOOR NEW YORK, NY 10019	261 OWNER LLC C/O NAFTALI GROUP LLC, 1700 BROADWAY, 16TH FLOOR NEW YORK, NY 10019

x Additional Parties Listed on Continuation Page

FEES AND TAXES

Mortgage			Filing Fee:		
Mortgage Amount:	$	0.00		$	250.00
Taxable Mortgage Amount:	$	0.00	NYC Real Property Transfer Tax:		
Exemption:				$	27,044.06
TAXES: County (Basic):	$	0.00	NYS Real Estate Transfer Tax:		
City (Additional):	$	0.00		$	4,122.00
Spec (Additional):	$	0.00			
TASF:	$	0.00			
MTA:	$	0.00			
NYCTA:	$	0.00			
Additional MRT:	$	0.00			
TOTAL:	$	0.00			
Recording Fee:	$	593.00			
Affidavit Fee:	$	0.00			

RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK
Recorded/Filed 02-25-2013 15:34
City Register File No.(CRFN):
2013000078639

City Register Official Signature

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

2012123101109014009CEC2B

RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION)

Document ID: 2012123101109014 Document Date: 12-20-2012 Preparation Date: 01-18-2013
Document Type: AGREEMENT

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	775	8	Entire Lot	261 WEST 25TH STREET

Property Type: COMMERCIAL REAL ESTATE

PARTIES

PARTY 1:
245 PARTNERS LLC
C/O NAFTALI GROUP LLC, 1700 BROADWAY, 16TH FLOOR
NEW YORK, NY 10019

PARTY 1:
245 WEST 25TH STREET BUILDING OWNER LLC
9 WEST 57TH STREET
NEW YORK, NY 10019

PARTY 1:
CENTURIAN 245 LLC
450 SEVENTH AVE, 45TH FLOOR
NEW YORK, NY 10123

ZONING LOT DEVELOPMENT AND EASEMENT AGREEMENT

NEW YORK COUNTY
BLOCK 775
LOTS 6, 8 AND 9

RECORD AND RETURN TO:

GREENBERG TRAURIG LLP
200 PARK AVENUE
NEW YORK, NEW YORK 10166
ATTENTION: DEIRDRE A. CARSON, ESQ.

902825

ROYAL ABSTRACT
500 FIFTH AVENUE SUITE 1540
NEW YORK, N.Y. 10110
(212) 376-0900

ZONING LOT DEVELOPMENT AND EASEMENT AGREEMENT

THIS ZONING LOT DEVELOPMENT AND EASEMENT AGREEMENT (this "**Agreement**"), made as of the 20th day of Dec., 2012, by and among 245 Owner LLC, A Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 1**"), 245 Partners LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 2**"), Centurian 245 LLC, a Delaware limited liability company having an address at 450 Seventh Avenue – 45th Floor, New York, New York 10123 ("**TIC Owner 3**") and 245 West 25th Street Building Owner LLC, 9 West 57th Street, New York New York 10019 ("**TIC Owner 4**")(TIC Owner 1, TIC Owner 2, TIC Owner 3 and TIC Owner 4, as Tenants-in-Common; collectively, the "**Owner**" and each, individually, a "**TIC Owner**") and 261 Owner LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**Developer**").

W I T N E S S E T H:

WHEREAS, Owner is the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 9 in Block 775 on the Tax Map of the City of New York, County of New York, and as and by the street address 245 West 25th Street, New York, New York, and more particularly described in **Exhibit "A"** annexed hereto and made a part hereof (the "**Owner Land**"; the building located thereon, and any replacement or Rebuilding (hereafter defined) thereof is herein referred to as the "**Owner Building**"; and the Owner Land and the Owner Building are herein collectively referred to as the "**Owner Parcel**");

WHEREAS, Developer is the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 8 in Block 775 on the Tax Map of the City of New York, County of New York ("**Lot 8**"), and as and by the street address 261 West 25th Street, New York, New York, and more particularly described on **Exhibit "B"** annexed hereto and made a part hereof;

WHEREAS, Developer is also the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 6 in Block 775 on the Tax Map of the City of New York, County of New York ("**Lot 6**"), and as and by the street address 263-265 West 25th Street, New York, New York, and more particularly described on **Exhibit "C"** annexed hereto and made a part hereof (Lot 6 and Lot 8, collectively, the "**Developer Land**"; the buildings and improvements now existing on Lot 6 and Lot 8, collectively, the "**Developer's Building**");

WHEREAS, Developer intends to demolish Developer's Building and construct a new building, all or a portion of which will be on the Developer Land and/or any Additional Parcel (hereafter defined), and construct other improvements associated with such new building (the new building and improvements, together with any additions thereto or future alterations thereto or replacements, repairs or rebuilding thereof not prohibited by the provisions of this

Agreement, are herein collectively referred to as the "**New Building**"; and Developer's Land, Developer's Building and the New Building, as the case may be, are herein collectively referred to as the "**Developer Parcel**");

WHEREAS, the New Building may include the Cantilevered Portion (as defined in Section 2(u) below) located over, on and above a portion of the Owner Parcel and in connection therewith, Owner and Developer are simultaneously herewith entering into that certain Construction and Maintenance Easement Agreement (the "**CMEA**", a copy of which is annexed hereto as Exhibit "D");

WHEREAS, the Owner Building contains less floor area, as defined in the Zoning Resolution (as hereafter defined), than is now available for use on the Owner Parcel pursuant to the Zoning Resolution, so that the Excess Development Rights (hereafter defined) are available for transfer to and utilization on the Developer Parcel and any Additional Parcel (hereafter defined);

WHEREAS, it is contemplated that the New Building will contain more floor area than is now available for use on the Developer Parcel pursuant to the Zoning Resolution, and the parties hereto therefore desire to utilize the procedure available pursuant to the Zoning Resolution to create the Merged Zoning Lot (hereafter defined) so as to make the Excess Development Rights available for utilization in connection with the construction and maintenance of the New Building, and Owner is willing to make such Excess Development Rights available to Developer in perpetuity;

WHEREAS, the parties hereto are simultaneously herewith executing (i) a Declaration (hereafter defined) in accordance with certain provisions set forth in a definition of the term "zoning lot" in Section 12-10 of the Zoning Resolution in order to create a single zoning lot of the Owner Parcel and the Developer Parcel (such zoning lot, as the same may be enlarged in accordance with the Declaration and the terms of this Agreement, is herein referred to as the "**Merged Zoning Lot**"), and (ii) such other agreements, easements and licenses as are necessary to effectuate the intent of the parties in connection with this Agreement (the Declaration and such other agreements, easements and licenses are herein collectively referred to as the "**Zoning Documents**");

WHEREAS, the Developer Parcel and/or the Merged Zoning Lot may be the receiving site of a transfer of certain Additional Development Rights (as hereinafter defined) and Developer may acquire such Additional Development Rights for utilization on Developer Parcel or the Merged Zoning Lot;

WHEREAS, all Parties in Interest (hereafter defined) to the Merged Zoning Lot as shown on the Zoning Lot Certification of Royal Abstract of New York ("**Certification**"), annexed hereto as **Exhibit "E"**, have joined in the Declaration or have waived their right to do so and have either executed this Agreement, or subordinated thereto; and

WHEREAS, the parties hereto wish to set forth certain agreements with respect to their rights and obligations in and to the Merged Zoning Lot and other matters.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby conclusively acknowledged, the parties hereto hereby covenant and agree as follows:

1. **Certain Definitions**. As used herein:

(a) "**Additional Development Rights**" shall mean any additional Development Rights that may become available to the Developer Parcel or the Merged Zoning Lot, (either by expansion of the Merged Zoning Lot by adding Additional Parcels, by special permit, variance, or by any other procedure or transfer allowed under the provisions of the Zoning Resolution, including, without limitation, Sections 81-63 et seq., 81-212, 81-254, 81-266, 81-277; 34-223, 35-35; 74-711; 74-79 et seq. and 23-90 et seq. thereof).

(b) "**Additional Parcel(s)**" shall have the meaning set forth in Section 11(a) hereof.

(c) "**Agency(ies)**" shall mean the New York City Planning Commission, the Department of City Planning of the City of New York, the City Council of the City of New York, the New York City Department of Buildings, the Board of Standards and Appeals of the City of New York, the Landmarks Preservation Commission, the Manhattan Borough President, any community board, any other municipal agencies, court or department, or any department, court or agency of the State of New York or the United States of America or any successor entity to any of the foregoing.

(d) "**Cantilever Area**" shall have the meaning given it in Section 2(t) of this Agreement.

(e) "**Cantilever Easement**" shall have the meaning given it in Section 2(t) of this Agreement.

(f) "**Cantilevered Portion**" shall have the meaning given it in Section 2(t) of this Agreement.

(g) "**Casualty**" shall mean an event that causes such demolition, damage, destruction, loss or other similar event such that the New Building, or any other building or improvement located on the Merged Zoning Lot (as the case may be) cannot be lawfully restored to such building or buildings' former Bulk pursuant to the provisions of the Zoning Resolution regulating the redevelopment of non-complying buildings.

(h) "**Datum Level**" shall mean the Datum level established in Section 28-104.7.6 of the Building Code of the City of New York at the date of this Agreement.

(i) "**Declaration**" shall mean the Declaration of Zoning Lot Restrictions in the form annexed hereto as **Exhibit "F"**.

(j) "**Developer's Additional Development Rights**" shall mean any Additional Development Rights acquired by Developer.

(k) "**Developer's Total Development Rights**" shall mean the sum of (i) the Development Rights appurtenant to Developer's Parcel, if considered as a separate zoning lot, (ii) the Excess Development Rights, plus (iii) any Developer's Additional Development Rights permitted by this Agreement.

(l) "**Easement**" shall have the meaning set forth in Section 2(c) hereof.

(m) "**Development Rights**" shall mean the rights, as determined in accordance with the Zoning Resolution, which are appurtenant to a zoning lot, to develop the zoning lot by erecting or adding thereon a structure or structures with a total floor area determined by (i) multiplying the area of the zoning lot by the floor area ratio established for the zoning district or districts in which the zoning lot is located, (ii) the inclusion of any bonus floor area available to the zoning lot pursuant to the Zoning Resolution, and (iii) the further inclusion of any use, bulk, density, and other development rights permitted under the Zoning Resolution and which may be authorized to be developed by the appropriate agency of the City of New York from time to time.

(n) "**DOB**" shall mean the Department of Buildings of the City of New York or any successor to its jurisdiction.

(o) "**Downzoning**" shall mean a validly enacted amendment of the Zoning Resolution reducing the Development Rights appurtenant to the Merged Zoning Lot.

(p) "**Excess Development Rights**" shall mean the 26,827 square feet of Development Rights appurtenant to the Owner Parcel, in excess of the Retained Development Rights, as determined by the Survey (hereafter defined).

(q) "**Government Approval(s)**" with respect to any Parcel, shall mean any approval, consent, variance, certificate, permit or special permit issued by, or applied for, from any Agency (including any zoning approval or variance, building permit, special permit or certificate of occupancy) relating to such Parcel or the use or operation thereof;

(r) "**Legal Requirements**" shall mean all applicable laws, statutes and ordinances (including codes, approvals, permits and zoning regulations and ordinances) and the orders, rules, regulations, interpretations, directives and requirements of any Agency, whether now or hereafter in effect. A single requirement is a "**Legal Requirement.**"

(s) "**Light and Air Easement Area**" shall have the meaning given it in Section 2(c) of this Agreement.

(t) "**Ownership Merger**" shall mean the conveyance of one or both of the Developer Parcels to a common entity, so that both are under common ownership.

(u) "**Party in Interest**" shall mean a party in interest as defined in Section 12-10 of the Zoning Resolution.

(v) "**Rebuilding**" shall mean any construction, addition, reconstruction, replacement, repair or rebuilding of the Owner Building or the New Building (including the Cantilevered Portion), as the case may be, whether following a casualty or otherwise.

(w) "**Retained Development Rights**" shall mean the 62,088 square feet of Development Rights appurtenant to the Owner Parcel and utilized by the Owner Building at the date of execution of this Agreement, as determined by the Survey, plus an additional 1,000 square feet of unused Development Rights.

(x) "**Survey**" shall mean the air rights survey prepared by Garden State Engineering, Surveying & Planning of New York, P.C. dated December 17, 2012, a copy of which is annexed hereto as **Exhibit "G."**

(y) "**Upzoning**" shall mean a validly enacted amendment of the Zoning Resolution or other law, statute, rule, regulation or ordinance that increases the floor area appurtenant to the Merged Zoning Lot.

(z) "**Violation**" shall mean any violation of Legal Requirements which would (i) prevent, unreasonably delay or otherwise materially and adversely affect the issuance or maintenance of a temporary or permanent Certificate of Occupancy for any building located on the Merged Zoning Lot, (ii) prevent, delay or otherwise adversely affect the issuance or maintenance of a building permit or any Governmental Approval required by law to build on any parcel that is part of the Merged Zoning Lot, or (iii) create a new or increase an existing non-compliance or nonconformance by any building located on the Merged Zoning Lot with the Zoning Resolution.

(aa) "**Zoning Resolution**" shall mean the Zoning Resolution of the City of New York, as in effect as of the date hereof and as amended or restated from time to time hereafter.

(bb) Undefined terms used in this Agreement which are defined in the Zoning Resolution -- such as, without limitation, the terms "bulk," "dwelling unit", "height," "floor area," "floor area ratio," "lot area," "lot coverage," "party in interest," "rooms" and "zoning lot" -- shall be defined and construed as those terms are defined in and construed pursuant to Section 12-10 of the Zoning Resolution.

2. **Development Limitations; Light and Air Easement.**

(a) Owner hereby transfers and conveys to Developer in perpetuity the Excess Development Rights for utilization on the Developer Parcel and/or on any Additional Parcels brought into the Merged Zoning Lot by Developer.

(b) Owner hereby acknowledges that Developer shall have the right to build the New Building to any lot lines of the Owner Land contiguous to the Developer Land and to maintain the New Building at such lot lines. Owner hereby waives any right to object to any set back designed by Developer to the extent permitted by the Zoning Resolution and the New York City Building Code, except as set forth in Section 2(v) below.

(c) Owner hereby grants to Developer a permanent and perpetual easement for light and air, and unobstructed view, over and above the portion of the Owner Parcel as shown on the diagram attached hereto as **Exhibits "H-A"** and "**H-B**" annexed hereto (the "**Light and Air Easement Area**"). Owner covenants and agrees that no buildings, improvements, alterations or structures of any kind shall be constructed or allowed to exist on the Owner Parcel, and no

Rebuilding of the Owner Building shall be made so as to encroach into the Light and Air Easement Area. Owner shall have the right to install, maintain and replace on or above the roof of the Owner Building any parapets, bulkheads, fences, elevator shafts, bulkheads and overrides, antennas, satellite dishes, chimneys, flues, vents, pipes, ladders, fire escapes or other mechanical, safety or telecommunications equipment (collectively, "**Rooftop Equipment**"), provided that: (i) such Rooftop Equipment shall not encroach into the Light and Air Easement Area, and (ii) the Rooftop Equipment shall not utilize any Development Rights or decrease the Excess Development Rights or any Additional Development Rights. In furtherance and not in limitation of the foregoing, Owner shall within seven (7) business days of a request therefor by Developer, execute, acknowledge and deliver a separate Light and Air Easement in the form annexed hereto as **Exhibit "I"** or in such other form as may be required by the DOB and reasonably approved by Owner, to permit openings in the adjacent wall of the New Building over the Light and Air Easement Area that provide legally required light and air to rooms within the New Building.

(d) Owner covenants and agrees that no Rebuilding of the Owner Building shall be made (i) so as to create or increase the degree of a non-compliance by the New Building with any requirement of the Zoning Resolution at the time of such Rebuilding when the effect of such Rebuilding is considered together with the Development Rights utilized by the New Building and the other buildings on the Merged Zoning Lot and/or the effect of any pending Rebuilding of the other buildings on the Merged Zoning Lot, if such non-compliance would affect Developer's right to obtain or maintain a Certificate of Occupancy for the New Building, or would adversely affect Developer's right to construct, re-construct, maintain, alter or occupy the New Building, or (ii) so as to utilize any Development Rights allowed to the Developer Parcel or the Merged Zoning Lot pursuant to the Zoning Resolution other than the Retained Development Rights, as the same may be decreased by a validly enacted amendment to the Zoning Resolution or variance thereof or pursuant to the terms hereof. Owner agrees to notify Developer after it has filed an application with the DOB for approval of plans for a Rebuilding and to provide Developer with a copy of the approved plans, if Developer so requests.

(e) Developer covenants and agrees that no Rebuilding of the New Building shall be made (i) so as to create or increase the degree of a non-compliance by the Owner Building with any requirement of the Zoning Resolution at the time of such Rebuilding when the effect of such Rebuilding is considered together with the Development Rights utilized by the Owner Building and the other buildings on the Merged Zoning Lot and/or the effect of any pending Rebuilding of the other buildings on the Merged Zoning Lot, if such noncompliance would affect Owner's right to obtain or maintain a Certificate of Occupancy for the Owner Building, or would adversely affect Owner's right to construct, maintain, alter or occupy the Owner Building, or (ii) except as otherwise provided herein, so as to utilize any Retained Development Rights as the same may be decreased by a validly enacted amendment to the Zoning Resolution or variance thereof or pursuant to the terms hereof. Developer agrees to notify Owner after it has filed an application with the DOB for approval of plans for a Rebuilding and to provide Owner with a copy of the approved plans, if Owner so requests.

(f) Notwithstanding anything to the contrary contained in Section 2(b), Section 2(c) or Section 2(d), Owner covenants and agrees that, in the event any Legal Requirements hereafter limit or restrict the Rebuilding of the Owner Building to a manner more restrictive than that provided in Section 2(b), Section 2(c) or Section 2(d), any such Rebuilding shall be

accomplished in compliance with such limitation or restriction, subject to Owner's right to obtain Governmental Approvals to modify such limitation or restriction.

(g) Notwithstanding anything to the contrary contained in Section 2(e), Developer covenants and agrees that, in the event any Legal Requirements hereafter limit or restrict the Rebuilding of the New Building to a manner more restrictive than that provided in Section 2(e), any such Rebuilding shall be accomplished in compliance with such limitation or restriction, subject to Developer's right to obtain Governmental Approvals to modify such limitation or restriction.

(h) If, following a Downzoning the Owner Building (but not the New Building) suffers a Casualty, then, subject to the provisions of Section 2(b), Section 2(c) and Section 2(d) and irrespective of whether construction of the New Building has commenced or the New Building has been fully constructed, the amount of Rebuilding on the Owner Parcel shall be limited by such Downzoning to an amount of Development Rights which allows the Developer Parcel the full benefit, and no reduction, of Developer's Total Development Rights.

(i) If, following a Downzoning, the New Building or the New Building (but not the Owner Building) suffers a Casualty, then, subject to the provisions of Section 2(e), the total amount of Rebuilding on the Developer Parcel shall be limited by such downzoning to an amount which allows Owner the full benefit, and no reduction, of the Retained Development Rights.

(j) If (1) both the Owner Building and the New Building or the New Building, as the case may be, suffer a Casualty, or (2) either of the Owner Building or the New Building or the New Building, together with one or more other buildings on the Zoning Lot, suffer a Casualty, then (I) if the Owner Building suffers the Casualty, any Rebuilding thereof shall be limited to the utilization of an amount of Development Rights equal to Owner's Relative Percentage (as hereinafter defined) of the Available Development Rights (as hereinafter defined) (and the Owner Development Rights shall thereafter be reduced thereto), and (II) if the New Building or New Building is so destroyed or demolished, any Rebuilding thereof shall be limited to the utilization of an amount of Development Rights equal to Developer's Relative Percentage (as hereinafter defined) of the Available Development Rights (and the Developer Development Rights shall thereafter be reduced thereto). For this purpose, as to any such Rebuilding, (A) "Available Development Rights" shall mean (i) the total Development Rights appurtenant to the Zoning Lot, minus (ii) the total Development Rights appurtenant to the Zoning Lot then being utilized by buildings on the Zoning Lot which are not so destroyed or demolished, (B) "Owner's Relative Percentage" mean the percentage that reflects the ratio that (1) the Retained Development Rights (prior to any reduction pursuant to clause (I) above), bears to (2) the sum of (x) the Retained Development Rights (prior to any reduction pursuant to clause (I) above), plus (y) the aggregate of the Development Rights utilized by other buildings on the Zoning Lot (or otherwise appurtenant to land underlying such other buildings, and available to the owner(s) thereof) which were so destroyed or demolished (determined prior to such destruction or demolition), and (C) "Developer's Relative Percentage" means the percentage that reflects the ratio that (1) the Developer Total Development Rights (prior to any reduction pursuant to clause (II) above), bears to (2) the sum of (x) the Developer Total Development Rights (prior to any reduction pursuant to clause (II) above), plus (y) the aggregate of the Development Rights

utilized by other buildings on the Zoning Lot (or otherwise appurtenant to land underlying such other buildings, and available to the owner(s) thereof) which were so destroyed or demolished (determined prior to such destruction or demolition).

(k) Following an Upzoning, (A) the Owner Parcel shall be entitled to the portion thereof attributable to the Owner Land as of the date of such amendment (considered as if the Owner Parcel were a separate zoning lot), and (B) the Developer Parcel shall be entitled to the balance of such increased Development Rights (including any other increased Development Rights attributable to the balance of the Merged Zoning Lot).

(l) Owner acknowledges and agrees that the Developer Parcel shall at all times have the exclusive right to and benefit of any Additional Development Rights available to the Merged Zoning Lot, and Owner shall have no rights therein. Developer may include the lot area of the Owner Parcel in any application to any Agency in connection with Developer's acquisition of any Additional Development Rights for purposes of calculating the maximum number of Additional Development Rights Developer is allowed to utilize pursuant to the Zoning Resolution.

(m) Owner and Developer each covenant and agree not to create or permit to exist any Violation with respect to the Owner Parcel and the Developer Parcel, respectively.

(n) Owner covenants and agrees not to enter into any agreement effecting, or purporting to effect, any further merger of the Merged Zoning Lot, with any parcel of land not, as of the date of this Agreement, contained in the Merged Zoning Lot, except at the express direction of Developer.

(o) Developer covenants and agrees not to enter into any agreement effecting, or purporting to effect, any further merger of the Merged Zoning Lot with any parcel of land not, as of the date of this Agreement, contained in the Merged Zoning Lot, if such agreement would, in or of itself, (i) create or increase the degree of a non-compliance by any building on the Merged Zoning Lot with any requirement of the Zoning Resolution, (ii) adversely affect the maintenance of a permanent Certificate of Occupancy for the Owner Building (or, if applicable at the time of such further merger, any Rebuilding of the Owner Building), or (iii) constitute a Violation.

(p) Owner covenants and agrees to cooperate with Developer in all reasonable respects, but at the sole cost and expense of Developer, in connection with any Governmental Approval related to the construction of, any Rebuilding of, or any alteration or improvement to, the New Building, including, without limitation, the execution and delivery of any such applications, documents or consents in connection with the foregoing documents, provided the same complies with this Agreement, and Developer shall reimburse Owner for any reasonable out-of-pocket expenses incurred by Owner in connection therewith (including, but not limited to, reasonable attorneys' fees and disbursements), except to the extent Developer shall have paid such costs and expenses pursuant to the CMEA. In the event that Owner shall not have executed and delivered, within seven (7) business days after demand therefor, any application or other document requested by Developer in connection with a Governmental Approval, then Developer shall serve Owner with a second notice requesting execution and delivery of the application by all relevant parties within five (5) Business Days. If Owner shall fail to execute any of the

consents, documents or applications herein referred to within five (5) business days after receipt of the second notice, then Developer shall have the right to execute any such consents, documents or instruments for, on behalf of, and as attorney-in-fact for Owner. In furtherance of the foregoing, Owner hereby irrevocably appoints Developer as its true and lawful attorney-in-fact, coupled with an interest, to execute on its behalf any and all such consents, documents or applications.

(q) Developer covenants and agrees to cooperate with Owner in all reasonable respects, but at the sole cost and expense of Owner, in connection with any Governmental Approval related to the construction of, any Rebuilding of the Owner Building, including, without limitation, the execution and delivery of any such applications, documents or consents in connection with the foregoing documents, provided the same complies with this Agreement, and Owner shall reimburse Developer for any reasonable out-of-pocket expenses incurred by Developer in connection therewith (including, but not limited to, reasonable attorneys' fees and disbursements), except to the extent Developer shall have paid such costs and expenses pursuant to the CMEA. In the event that Developer shall not have executed and delivered, within seven (7) business days after demand therefor, any application or other document requested by Owner in connection with a Governmental Approval, then Owner shall serve Developer with a second notice requesting execution and delivery of the application by all relevant parties within five (5) Business Days. If Developer shall fail to execute any of the consents, documents or applications herein referred to within five (5) business days after receipt of the second notice, then Owner shall have the right to execute any such consents, documents or instruments for, on behalf of, and as attorney-in-fact for Developer. In furtherance of the foregoing, Developer hereby irrevocably appoints Owner as its true and lawful attorney-in-fact, coupled with an interest, to execute on its behalf any and all such consents, documents or applications.

(r) Owner acknowledges that the owners of other properties, whether now a part of or which may hereafter be merged into the Merged Zoning Lot, may have reserved or retained certain Development Rights attributable to their properties, and Owner covenants and agrees not to (i) utilize, or attempt to utilize, in the Owner Parcel all or any portion of any such reserved or retained Development Rights or (ii) make any application to DOB to incorporate all or any portion of any such Development Rights into the Owner Parcel.

(s) Owner and Developer agree and acknowledge that as of the date hereof the Owner Building (i) contains 68 dwelling units, and (ii) does not exceed 70% lot coverage. Owner shall not increase the number of dwelling units or the lot coverage of the Owner Building. Any Rebuilding of the Owner Building shall be done in a manner such that the rear of the Owner Building shall be set back no less from the rear property line than the then existing New Building, unless a different distance is then required by law.

(t) Notwithstanding any other provision in this Agreement to the contrary, the Excess Development Rights shall be deemed to be appurtenant to and useable solely on Developer 2 Parcel until the Ownership Merger has occurred.

3. **Cantilever Easement**.

(a) Owner hereby grants, conveys and releases to Developer, a permanent, perpetual and exclusive easement (the "**Cantilever Easement**") in, on, over and to portions of the Owner Parcel (the "**Cantilever Area**") for the construction, use and operation, occupancy, maintenance, repair and Rebuilding of a cantilevered portion of the New Building (the "**Cantilevered Portion**") to be located on, over and above a portion of the Owner Parcel that is over and above the Owner Building as it exists on the date hereof, including an area for the erection of support columns running from the Cantilevered Portion to and into the earth on the Owner Parcel. In amplification of the foregoing, such Cantilever Area shall: (i) lie above a horizontal plane located at 96.81 feet above Datum Level, (ii) extend one hundred and eleven (111) feet eastward from the property line between the Owner Parcel and the Developer Parcel, and (iii) except for the support columns, not be any closer to the front or rear lot lines of the Owner Land than the existing front and rear facades of the Owner Building, all as shown on the diagram attached hereto as **Exhibits "J-A"** and **"J-B"** and made a part hereof. If required by the DOB for the maintenance of the street wall of the Owner Building under the Zoning Resolution, the Cantilevered Area shall include the area required for construction of a screen wall beneath the lowest level of the Cantilevered Portion and the parapet or roof of the Owner Building. Such screen wall shall not enclose any area on the roof and shall be constructed so as not to cause damage to either the surface of the roof or the parapet or to affect the waterproofing capabilities of either facility. The Cantilever Area shall be subject to adjustment based on normal construction procedures and the normal settlement and shifting of the Cantilevered Portion after construction thereof has been completed. Developer shall have no obligation to construct the Cantilevered Portion and the Cantilevered Portion may be located in the entire Cantilever Area or only a portion thereof; none of the foregoing shall affect Developer's sole and exclusive right to use and benefit from the Cantilever Area.

(b) If and when requested by Developer, Owner shall convey the Cantilever Area in fee to Developer. In connection therewith, Owner shall authorize Developer to take such actions as shall be required in order to create a separate tax lot for the Cantilever Area and Owner shall cooperate therewith (including the execution and delivery of any applications or other documents that may be required by Legal Requirements or any governmental agencies). Upon the creation of such new tax lot number, Owner shall execute and deliver to Developer, within ten (10) business days after request therefor, and without payment of any additional consideration, the following documents and instruments: (i) a bargain and sale deed (without covenants) conveying the Cantilever Area in fee to Developer, subject only to any matters created or permitted by Developer, (ii) all New York City and New York State real estate transfer tax returns, but all liability for taxes due and payable thereunder (if any) shall be paid by Developer, (iii) any documents or instruments reasonably requested by a title company to enable Developer to obtain fee title insurance at standard rates for the Cantilever Area, and any other documents and instruments required to effectuate the intent of this Section 3(b). Owner shall have no obligation to cure title objections not caused by it. All of the foregoing documents shall be prepared by Developer at its sole cost and expense and shall be subject to Owner's and its professional consultants and attorneys' approval, which shall not be unreasonably delayed, conditioned or withheld. Upon such conveyance, the Cantilever Easement shall be deemed terminated (it being understood and agreed that the CMEA shall remain in full force and effect).

(c) Developer hereby assumes all risk of its use of the Cantilever Area and Cantilever Easement to construct the Cantilevered Portion and neither Owner, nor its principals,

beneficiaries, members, directors, officers, agents, employees, tenants, successors or assigns shall be liable for any damage to the Cantilevered Portion, Developer or any person or entity acting by, though, for or on behalf of Developer, nor for any injury or damage to any person, property, entity or owner resulting from the construction or use of the Cantilevered Portion.

(d) Developer further agrees to indemnify, defend and save Owner, and Owner's principals, beneficiaries, members, shareholders, directors, officers, agents, employees, tenants, agents and successors and assigns harmless from and against any and all claims, losses, liabilities, damages, judgments, suits and causes of action (including, without limitation, reasonable attorneys' , engineers' and other professionals' fees incurred by Owner) arising out of or in connection with the construction of the Cantilevered Portion and the use and enjoyment by Developer of the Cantilevered Portion after construction, including personal injury and property damage, including damage resulting in the loss of use of or access to the Owner Building.

(e) Developer shall provide Owner with a copy of the proposed plan elevations for the Cantilevered Portion as soon as same shall reasonable be available to Developer. If Owner has any objection to the proposed design of the Cantilevered Portion, then Owner and Developer shall confer regarding the design; however, Owner shall not have the right to select or approve the proposed design of the Cantilevered Portion and its objections shall be confined to identifying any respect in which the Plans fail to conform to the requirements of this Agreement or Legal Requirements.

4. **Utilization of Excess and Retained Development Rights; Cooperation.**

(a) Pursuant to the Declaration, Owner and Developer have consented to the creation of the Merged Zoning Lot.

(b) Subject to the terms of this Agreement, Developer may incorporate into the New Building all of the Excess Development Rights and any Additional Development Rights and otherwise utilize the Excess Development Rights and any Additional Development Rights at any time hereafter to develop the Developer Parcel. Except to the extent otherwise provided herein, Owner shall retain all rights in and to the Retained Development Rights. Owner acknowledges and agrees that, except as specifically stated in this Agreement, Owner shall not have any approval rights with respect to Developer's development of the Developer Parcel or any Rebuilding of the New Building, including any matters that require the consent of Owner as a fee owner of a portion of the Merged Zoning Lot based on the requirements of an Agency. Owner covenants and agrees to take all appropriate steps reasonably requested by Developer to implement the foregoing and the development of the Developer Parcel (provided the same are without liability to Owner, and Developer shall promptly reimburse Owner for any reasonable out-of-pocket expenses incurred by Owner in connection therewith; and provided, further, that the same do not materially, adversely affect Owner's right to utilize the Retained Development Rights or the Owner Parcel, as utilized on the date hereof, and to the extent permitted under and limited by the Declaration and this Agreement), and, in furtherance thereof, Owner covenants and agrees that:

(i) Owner shall cooperate, at Developer's sole cost and expense, with Developer in connection with Developer's development of the Developer Parcel and the transfer

of the Excess Development Rights and any Additional Development Rights to Developer and the incorporation of the same into the New Building and any Rebuilding of the New Building, including, without limitation, the prosecution of all applications for Governmental Approvals requested by Developer relating to the development of the Developer Parcel and/or the incorporation in the New Building of the Excess Development Rights and any Additional Development Rights, any Rebuilding of the New Building and any application by Developer to increase or decrease the size of the Merged Zoning Lot, and/or any application by Developer to transfer any Development Rights to any other parcel of land, subject to the provisions of this Agreement. Developer shall have the right at any time to make application in its own name, unless otherwise required, to any governmental authority for such Governmental Approvals, as shall be deemed necessary or appropriate by Developer (i) as a condition to, or to implement the transfer of, or the utilization by Developer of, the Excess Development Rights and any Additional Development Rights, including a building permit or permits for the construction of the New Building allowing utilization of the Excess Development Rights and any Additional Development Rights, and/or (ii) in connection with any Rebuilding, reconfiguration or other changes to the New Building, including, without limitation, any change of use or operation, and/or (iii) the submission of the Developer Parcel to condominium ownership, and/or (iv) in connection with the development of the Developer Parcel, and/or (v) the transfer of any Development Rights to any other parcel of land. Owner agrees, at Developer's sole cost and expense, to cooperate with Developer in connection with the filing and prosecution of applications for the Governmental Approvals by giving all necessary consents in connection with the filing and prosecution of applications for the Governmental Approvals, if requested, and promptly (and in any event within seven (7) business days of receipt) to execute such appropriate documents and applications and to furnish such information within the possession or control of, or which can reasonably be obtained by, Owner as may be reasonably requested by Developer for pursuing and obtaining any such Governmental Approvals, and Developer shall reimburse Owner for any reasonable out-of-pocket expenses incurred by Owner in connection therewith. Except as provided in the CMEA, in the event that Owner shall not have executed and delivered, or caused to have executed and delivered, within seven (7) business days after demand therefor, any of the consents, documents or applications ("**Developer Documents**") to which reference is made herein, then Developer shall serve Owner with a second notice requesting execution and delivery of the Developer Documents by all relevant parties within five (5) business days following receipt of the notice. Notwithstanding the foregoing, if Owner shall provide specific written objections to the Developer Documents three (3) business days after receipt of the first notice from Developer, then Developer shall either modify the Developer Documents as requested by Owner or shall provide an explanation of the reasons for its refusal to make such modifications. If Owner shall fail to execute any of the Developer Documents within five (5) business days after receipt of the second notice, the modified Developer Documents or the explanation for Developer's refusal to make such modifications, then Developer shall have the right to invoke the dispute resolution procedure set forth in Section 12 of this Agreement. If the dispute is resolved in favor of Developer, then Developer shall have the right to execute any such Developer Documents for, on behalf of, and as attorney-in-fact for Owner. In furtherance of the foregoing, Owner hereby irrevocably appoints Developer as its true and lawful attorney-in-fact, coupled with an interest, to execute on its behalf any and all such Developer Documents. ;

(ii) Owner agrees, if required by the DOB, to cause the Certificate of Occupancy for the Owner Building or other records of the DOB to be amended so as to indicate

the existence of the Merged Zoning Lot. The application therefor shall be prepared by Developer at Developer's expense and shall be forwarded to Owner for Owner's execution (if execution by Owner is required by any governmental authority). Developer shall pay any permit or application fee imposed on such application. Owner shall, at Developer's sole cost and expense, execute and deliver to Developer upon Developer's request, an application, in proper form for filing, for an alteration permit (including a Plan Work Approval Application required by the DOB (Form PW 1 and Form PW 1A - Schedule A) prerequisite to the filing of an application for an amended Certificate of Occupancy for the Owner Building showing that the Owner Parcel is a part of a zoning lot, including the Developer Parcel, in proper form for filing, and all related documents necessary or reasonably requested by Developer to obtain said amended Certificate of Occupancy and Developer, at its sole cost and expense, shall diligently prosecute and close out the application thereafter. Owner hereby authorizes Developer as its agent to use such efforts as it deems necessary or desirable to obtain such amended Certificate of Occupancy. Owner further agrees that, except as set forth in this Section 4(b)(ii), it will not (i) change the existing use of the building located on the Owner Parcel to any use prohibited by the Zoning Resolution or amend or make an application to amend the Certificate of Occupancy for the building located on the Owner Parcel until Developer has obtained a permanent Certificate of Occupancy for the New Building, (ii) increase the lot coverage of the Owner Building, or (iii) permit to exist any condition (including any violation of law) or use of the Owner Parcel in any way which shall, or may reasonably be expected to, prevent Developer from obtaining a permanent Certificate of Occupancy for the New Building, or (iii) in any way create a new or increase any existing nonconforming use or non-compliance under the Zoning Resolution with respect to the Owner Parcel. Notwithstanding anything herein to the contrary, Owner shall have the right to continue to use the Owner Parcel for the purposes permitted under its existing Certificate of Occupancy, except that in no event shall Owner have the right to utilize the Excess Development Rights;

(iii) Owner agrees not to appear in opposition to Developer in any action or hearing brought, sought or defended by Developer before any Agencies arising out of or in connection with any zoning or variance applications relating to the New Building or the Merged Zoning Lot and/or the incorporation of the Excess Development Rights and any Additional Development Rights therein or any other application for or proceeding with respect to a Governmental Approval that, in the reasonable judgment of Developer, affects or may affect the ability of Developer to construct the New Building or effect any Rebuilding thereof and/or to incorporate the Excess Development Rights and any Additional Development Rights into the New Building or other improvements on the Merged Zoning Lot, provided Owner may oppose any action which is inconsistent with the Declaration and this Agreement or would adversely affect Owner's power, authority and/or ability to use and occupy the Owner Building or any Rebuilding thereof, or to use the Retained Development Rights, except, in each instance, to a de minimis extent, in any manner permitted by this Agreement; and

(iv) Developer shall furnish to Owner upon request copies of all plans, applications and submissions hereafter submitted by Developer to the DOB or any other city, state or federal agency or authority relating to any proposed construction of the New Building.

(c) Developer agrees with Owner that, subject to the terms of this Agreement, the Light and Air Easement and Cantilever Easement, Owner may incorporate within the Owner Building all of the Retained Development Rights and otherwise utilize the Retained

Development Rights at any time hereafter to develop the Owner Parcel. In particular, Owner may use up to 1,000 square feet of its Retained Development Rights to construct a penthouse addition on the eastern portion of the roof of Owner's Building, provided that such addition, and any Rooftop Equipment on such addition, do not encroach into the Light and Air Easement. Developer shall retain all rights in and to Developer's Total Development Rights. Developer acknowledges and agrees that, except as specifically stated in this Agreement, Developer shall not have any approval rights with respect to Owner's development of the Owner Parcel, including any matters that require the consent of Developer as a fee owner of a portion of the Merged Zoning Lot based on the requirements of an Agency. Developer covenants and agrees to take all appropriate steps reasonably requested by Owner to implement the foregoing and the Rebuilding of the Owner Building, provided the same are without liability to Developer, and Owner shall promptly reimburse Developer for any reasonable out-of-pocket expenses incurred by Developer in connection therewith); and provided, further, that the same do not materially, adversely affect Developer's right to utilize Developer's Total Development Rights or the Developer Parcel, as permitted by this Agreement, to the extent permitted under and limited by the Declaration. In furtherance thereof, Developer covenants and agrees that:

(i) Developer shall, subject to the terms and restrictions herein, cooperate, at Owner's sole cost and expense, with Owner in connection with any Rebuilding of the Owner Building and the incorporation of the Retained Development Rights therein, including, without limitation, the prosecution of all applications for Governmental Approvals requested by Owner relating to thereto. Owner shall have the right at any time after Developer shall have obtained a certificate of occupancy for the New Building, to make application in its own name, unless otherwise required, to any Agency for such Governmental Approvals, as shall be deemed necessary or appropriate by Owner in connection with such Rebuilding. Developer agrees, at Owner's sole cost and expense, to cooperate with Owner in connection with the filing and prosecution of applications for such Governmental Approvals by giving all necessary consents in connection with the filing and prosecution of such applications, if requested, and promptly (and in any event within seven (7) business days of receipt) to execute such documents and applications in connection therewith. If Developer shall not have executed and delivered, or caused to have executed and delivered, within seven (7) business days after demand therefor, any of the consents, documents or applications ("**Owner Documents**") to which reference is made herein, then Owner shall serve Developer with a second notice requesting execution and delivery of the Owner Documents by all relevant parties within five (5) business days following receipt of the notice. Notwithstanding the foregoing, if Owner shall provide specific written objections to the Owner Documents three (3) business days after receipt of the first notice from Owner, then Owner shall either modify the Owner Documents as requested by Developer or shall provide an explanation of the reasons for its refusal to make such modifications. If Developer shall fail to execute any of the Owner Documents within five (5) business days after receipt of the second notice, the modified Owner Documents or the explanation for Owner's refusal to make such modifications, then Owner shall have the right to invoke the dispute resolution procedure set forth in Section 12 of this Agreement. If the dispute is resolved in favor of Owner, then Owner shall have the right to execute any such Owner Documents for, on behalf of, and as attorney-in-fact for Developer. In furtherance of the foregoing, Developer hereby irrevocably appoints Owner as its true and lawful attorney-in-fact, coupled with an interest, to execute on its behalf any and all such Owner Documents;

(ii) Developer agrees, if required by the DOB, to cause the Certificate of Occupancy for the Developer Building to be amended so as to indicate the existence of the Merged Zoning Lot. The application therefor shall be prepared by Owner at Owner's expense and shall be forwarded to Developer for Developer's execution (if execution by Developer is required by any City Agency). Owner shall pay any permit or application fee imposed on such application. Developer shall, at Owner's sole cost and expense, execute and deliver to Owner upon Owner's request, an application, in proper form for filing, for an alteration permit (including a Plan Work Approval Application required by the DOB (Form PW 1 and Form PW 1A - Schedule A) prerequisite to the filing of an application for an amended Certificate of Occupancy for the New Building showing that the Developer Parcel is a part of a zoning lot, including the Owner Parcel, and all related documents necessary or reasonably requested by Owner to obtain said amended Certificate of Occupancy and Owner, at its sole cost and expense, shall diligently prosecute and close out the application thereafter;

(iii) Developer agrees not to appear in opposition to Owner in any action or hearing brought, sought or defended by Owner before any Agencies arising out of or in connection with any zoning or variance applications relating to the Owner Building or the Merged Zoning Lot and/or the incorporation of the Retained Development Rights therein or any other application for or proceeding with respect to a Governmental Approval that, in the reasonable judgment of Owner, affects or may affect the ability of Owner to rebuild the Owner Building or effect any Rebuilding thereof and/or to incorporate the Retained Development Rights into the Owner Building or other improvements on the Merged Zoning Lot, provided Developer may oppose any action which is inconsistent with the Declaration or this Agreement or would adversely affect Developer's power, authority and/or ability to use and occupy the New Building or any Rebuilding thereof, or to use the Developer's Total Development Rights, except, in each instance, to a de minimis extent, in any manner permitted by this Agreement or the Zoning Documents.

(iv) Owner shall furnish to Developer upon request copies of all plans, applications and submissions hereafter submitted by Owner to the DOB or any other city, state or federal agency or authority relating to any proposed Rebuilding or demolition of the Owner Building.

5. **Owner Representations**. Owner represents and warrants to, and covenants with, Developer that (a) it is seized of the Owner Parcel in fee simple, it has the right to enter into the Declaration, this Agreement and the Zoning Documents and, to its actual knowledge, is the only party in interest with respect to the Owner Parcel that has not waived and/or subordinated its right to execute the Declaration, this Agreement and the Zoning Documents, (b) it has not previously sold, leased, transferred, or encumbered the Excess Development Rights appurtenant to the Owner Parcel in any manner whatsoever, (c) it will execute or procure any further assurances reasonably required by Developer of its right to enter into the Declaration, this Agreement and the Zoning Documents, (d) it will forever warrant and defend Developer's right to utilize the Excess Development Rights appurtenant to the Owner Parcel for the benefit of Developer, its successors and assigns, subject to Legal Requirements, (e) the execution, delivery and performance of this Agreement by it does not violate the provisions of any mortgage or any other agreement or instrument to which it is a party or by which it is bound, (f) any consideration received by it will be received subject to the provisions of Section 13 of the Lien Law, and (g) it

is not a "foreign person" as defined in section 1445(b)(3) of the Internal Revenue Code and the regulations issued thereunder.

6. **Floor Area Notice.** Notice is hereby given that this Agreement restricts the Owner Parcel, and benefits the Developer Parcel, by (i) reducing (subject to the terms of this Agreement) the Development Rights which are appurtenant to the Owner Parcel by the amount of the Excess Development Rights utilizable by Developer pursuant to this Agreement, and (ii) allowing the Developer Parcel the exclusive right to and benefit of the Excess Development Rights and any Additional Development Rights available to the Merged Zoning Lot.

7. **Separate Building Plans.** The parties hereto agree that all construction plans and specifications for, and applications for a certificate of occupancy or any building, alteration, demolition or other permits for any building on the Owner Parcel shall be separate and independent from those for any building on the Developer Parcel and vice versa and shall be filed with DOB so as to obtain separate "new building" and "alteration" numbers, as appropriate, so long as permitted by applicable law.

8. **Separate Tax Lots.** The parties acknowledge that the separate interests of each of them require that the Owner Parcel and the Developer Parcel and any other parcels now or hereafter merged into the Merged Zoning Lot be treated for real property tax purposes as separate and independent tax lots. Owner and Developer shall take such actions, with respect to the Owner Parcel and Developer Parcel, respectively, as may be reasonably required to maintain the Parcels which comprise the Merged Zoning Lot as separate and independent tax lots. Neither Owner nor Developer shall object to, or otherwise oppose, the Parcels being treated as separate tax lots, and neither party shall be precluded from contesting tax assessments on its own Parcel. Developer and Owner each agrees to cooperate with the other in connection with any application, filings or proceedings relating to the assessed valuation of the Owner Parcel and/or the Developer Parcel which may be filed or instituted by the owner of such Parcel in furtherance of the foregoing provisions of this Section 8. With respect to the Cantilever Area, so long as the Cantilevered Portion remains part of the tax lot constituting the Owner Parcel, Developer shall pay all real property taxes imposed on the Cantilever Area or any improvements constructed therein, upon presentation of proof by Owner that a portion of Owner's assessment reflects improvements or property interests owned or held by Developer.

9. **Violation Cure Rights.**

(a) In the event that at any time hereafter there exists any Violation with respect to the Owner Parcel, Owner shall commence to cure such Violation within thirty (30) days after receiving notice of the same from Developer, or, if the cure, removal and discharge cannot with due diligence be completed in such thirty (30) day period, Owner shall commence the cure, removal and discharge within such thirty (30) day period and diligently prosecute to completion, the cure, removal and discharge of any Violation. In the event that Owner does not commence such cure and proceed diligently and continuously with such cure as required by the immediately preceding sentence, Developer shall have the right to cure such Violation at the expense and for the account of Owner (and if necessary, in the name of Owner), and Owner will execute and deliver such documents as may be required in connection therewith, it being agreed that Developer shall have a license to have access to the Owner Parcel for the purpose of effecting

such cure; provided, however, Developer covenants and agrees that such access and cure (i) shall only occur after notice to Owner, (ii) except in the event of an emergency as reasonably determined by Developer, shall only occur at reasonable times, and (iii) shall not unreasonably interfere with Owner's use and occupancy of the Owner Building; and provided, further, that during the period of such access and cure, Developer shall procure and maintain liability insurance, naming Owner (and any mortgagee of the Owner Parcel of which Developer has notice) as an additional insured, in the form and in the amounts customarily carried in connection with work of the type necessary to cure the Violation. In addition, Developer may, at its option, maintain any action permitted at law or in equity or by statute against Owner with respect to such Violation, including an action for injunctive relief to compel Owner to cure such Violation and/or a suit for damages arising from the failure by Owner to cure such Violation.

(b) If Developer is compelled or elects to expend any sum of money or do any acts which require the payment of money by reason of complying with, remedying or curing a Violation on the Owner Parcel, as provided in this Section 9, Owner shall, upon demand, promptly reimburse Developer all such sums together with interest thereon at the lesser of (i) 12% per annum or (ii) the maximum rate permitted by law, compounded annually, from the date of such expenditure. Developer shall have a lien on Owner's property in the amount of all such sums and interest not timely reimbursed by Owner in accordance with this Section 9(b).

(c) In the event that at any time hereafter there exists any Violation with respect to the Developer Parcel, Developer shall cure such Violation within thirty (30) days after receiving notice of the same from Owner, or, if the cure, removal and discharge cannot with due diligence be completed in such thirty (30) day period, Developer shall commence the cure, removal and discharge within such thirty (30) day period and diligently prosecute to completion, the cure, removal and discharge of any Violation. In the event that Developer does not commence such cure and proceed diligently and continuously with such cure as required by the immediately preceding sentence, Owner shall have the right to cure such Violation at the expense and for the account of Developer (and if necessary, in the name of Developer), and Developer will execute and deliver such documents as may be required in connection therewith, it being agreed that Owner shall have a license to have access to the Developer Parcel for the purpose of effecting such cure; provided, however, Owner covenants and agrees that such access and cure (i) shall only occur after notice to Developer, (ii) except in the event of an emergency as reasonably determined by Owner, shall only occur at reasonable times, and (iii) shall not unreasonably interfere with Developer's use and occupancy of the New Building; and provided, further, that during the period of such access and cure, Owner shall procure and maintain liability insurance, naming Developer (and any mortgagee of the Developer Parcel of which Owner has notice) as an additional insured, in the form and in the amounts customarily carried in connection with work of the type necessary to cure the Violation. In addition, Owner may, at its option, maintain any action permitted at law or in equity or by statute against Developer with respect to such Violation, including an action for injunctive relief to compel Developer to cure such Violation and/or a suit for damages arising from the failure by Developer to cure such Violation.

(d) If Owner is compelled or elects to expend any sum of money or do any acts which require the payment of money by reason of complying with, remedying or curing a Violation on the Developer Parcel, as provided in this Section 9, Developer shall, upon demand, promptly reimburse Owner all such sums together with interest thereon at the lesser of (i) 12% per annum

or (ii) maximum rate permitted by law, compounded annually, from the date of such expenditure. Owner shall have a lien on Developer's property in the amount of all such sums and interest not timely reimbursed by Developer in accordance with this Section 9(d).

(e) In the event Developer shall hereafter elect to enlarge the Merged Zoning Lot with Additional Parcels, Developer shall cause any supplemental zoning lot development agreement with the owner of such Additional Parcels to include a provision authorizing the correction of violations on such Additional Parcel on the same terms as are herein provided for the correction of violations on the Parcels and constituting Owner a third party intended beneficiary of the provisions authorizing Developer to correct violations on such Additional Parcels.

10. **Subdivision.**

(a) Developer shall have the right to subdivide the Developer Parcel or the Merged Zoning Lot to the extent permitted by the Zoning Resolution and other Legal Requirements, provided that such subdivision shall be subject to this Agreement and shall not diminish Owner's right to utilize the Retained Development Rights or the Owner Parcel, as permitted by this Agreement, and as limited by the Declaration and this Agreement. Owner shall not have the right to subdivide the Merged Zoning Lot, except Owner may subdivide the Owner Parcel into multiple tax lots if such subdivision will not cause a violation of other Sections of this Agreement. Developer shall not apply for any such subdivision without first furnishing Owner with: (i) a copy of the application, and (ii) the opinion of an architect licensed in New York State, familiar with New York City zoning requirements, addressed to Owner, stating the zoning consequences of the subdivision and concluding that the subdivision will not diminish Owner's right to utilize the Retained Development Rights or the Owner Parcel, as permitted by this Agreement, and as limited by the Declaration. Owner shall cooperate with Developer in connection with any such subdivision, and, if requested, shall execute such Developer Documents as may be reasonably requested by Developer in connection therewith, provided Developer shall pay any reasonable out-of-pocket fees and expenses incurred by Owner (including, but not limited to, attorneys' and other professionals' fees and expenses) in connection therewith. In the event that Owner shall not have executed and delivered, or caused to have executed and delivered, within seven (7) business days after demand therefor, any of the Devleoper Documents to which reference is made herein, then Developer shall serve Owner with a second notice requesting execution and delivery of the Developer Documents by all relevant parties within five (5) business days following receipt of the notice. Notwithstanding the foregoing, if Owner shall provide specific written objections to the Developer Documents three (3) business days after receipt of the first notice from Developer, then Developer shall either modify the Developer Documents as requested by Owner or shall provide an explanation of the reasons for its refusal to make such modifications. If Owner shall fail to execute any of the Developer Documents within five (5) business days after receipt of the second notice, the modified Developer Documents or the explanation for Developer's refusal to make such modifications, then Developer shall have the right to invoke the dispute resolution procedure set forth in Section 12 of this Agreement. If the dispute is resolved in favor of Developer, then Developer shall have the right to execute any such Developer Documents for, on behalf of, and as attorney-in-fact for Owner. In furtherance of the foregoing, Owner hereby irrevocably

appoints Developer as its true and lawful attorney-in-fact, coupled with an interest, to execute on its behalf any and all such Developer Documents.

(b) All present and future "parties in interest" to the Merged Zoning Lot, including Owner, are hereby deemed to have (i) consented to, and waived objection to subdividing the Merged Zoning Lot into two or more separate zoning lots, (ii) consented to or waived their respective right to declare that the Merged Zoning Lot is to be treated as two or more separate zoning lots for the purpose of and in accordance with the provisions of the Zoning Resolution, and (iii) consented to or waived their right to execute, now or in the future, and subordinated their right to, any Declaration of Zoning Lot Subdivision or any other form or instrument effectuating such subdivision.

11. **Additional Parcels; Additional Development Rights.**

(a) All present and future Parties in Interest to the Merged Zoning Lot, including Owner, are hereby deemed to have (i) consented to, and waived objection to enlarging the Merged Zoning Lot covered by the Declaration to include one or more Additional Parcels, (ii) consented to or waived their respective right to declare that the Merged Zoning Lot and any Additional Parcels are to be treated as one zoning lot for the purpose and in accordance with the provisions of the Zoning Resolution, (iii) consented to or waived their right to execute, now or in the future, and subordinated their right to, the Declaration and any and all declarations of zoning lot restrictions and any and all modifications, amendments, additions, replacements, restatements or consolidations (each individually, an "**Amendment**", and collectively, "**Amendments**") thereof that relate to the Merged Zoning Lot and any Additional Parcels, (iv) consented to and subordinated their rights to this Agreement, and any and all Amendments thereof that relate to the Merged Zoning Lot and any Additional Parcels, (v) consented to and waived objection to the transfer of any Additional Development Rights to the Developer Parcel and/or the Merged Zoning Lot, (vi) consented, to, waived objection to, waived their right to execute, if any, and subordinated their respective interest to, any Transfer of Development Rights and Notice of Restrictions or similar documents required by the Zoning Resolution, including, without limitation, Sections 81-63 et seq., 81-63 et seq., 81-212, 81-254, 81-266, 81-277, 34-223, 35-35, 23-90 et seq. and 74-79 et seq. in connection with the transfer of any Additional Development Rights, and (vii) consented to and waived objection to any applications for Governmental Approvals, and any applications, agreements, declarations or documents or such other actions as may be required to effectuate the transfer and utilization of any Development Rights or any Additional Development Rights to the Developer Parcel, provided such transfer and utilization is in accordance with this Agreement; such consent, subordination and waiver shall be effective whether or not such parties sign such consent, subordination and waiver or the documents to which such consent, subordination and waiver apply.

(b) Notwithstanding the foregoing, if requested by Developer, Owner shall, within seven (7) business days after such request, execute, acknowledge and deliver one or more Amendments to the Declaration and/or this Agreement, or execute a waiver of Declaration and subordination to this Agreement or Transfer of Development Rights and Notice of Restrictions or similar document, and shall execute, acknowledge and deliver, or cause the execution, acknowledgement and delivery of, such other instruments as may reasonably be required, for the purposes of such enlargement of the Merged Zoning Lot or the transfer of any Additional

Development Rights (the foregoing documents, "**Lot Enlargement Documents**"). In the event that Owner shall not have executed and delivered, or caused to have executed and delivered, within seven (7) business days after demand therefor, any of the Lot Enlargement Documents to which reference is made herein, then Developer shall serve Owner with a second notice requesting execution and delivery of the Lot Enlargement Documents by all relevant parties within five (5) business days following receipt of the notice. Notwithstanding the foregoing, if Owner shall provide specific written objections to the Lot Enlargement Documents three (3) business days after receipt of the first notice from Developer, then Developer shall either modify the Lot Enlargement Documents as requested by Owner or shall provide an explanation of the reasons for its refusal to make such modifications. If Owner shall fail to execute any of the Lot Enlargement Documents within five (5) business days after receipt of the second notice, the modified Lot Enlargement Documents or the explanation for Developer's refusal to make such modifications, then Developer shall have the right to invoke the dispute resolution procedure set forth in Section 12 of this Agreement. If the dispute is resolved in favor of Developer, then Developer shall have the right to execute any such Lot Enlargement Documents for, on behalf of, and as attorney-in-fact for Owner. In furtherance of the foregoing, Owner hereby irrevocably appoints Developer as its true and lawful attorney-in-fact, coupled with an interest, to execute on its behalf any and all such Lot Enlargement Documents. At the time of delivering any request for execution and delivery of any such Lot Enlargement Documents, Developer shall furnish Owner with such documents as Owner may reasonably require in order to be assured that the enlargement of the Merged Zoning Lot or the transfer of any Additional Development Rights is consistent with the terms of this Agreement. Developer shall pay any reasonable out-of-pocket fees and expenses incurred by Owner (including, but not limited to, attorneys' and other professionals' fees and expenses) in connection with the review, execution, acknowledgement and delivery of the documents pertaining to enlarging the Merged Zoning Lot or the transfer of any Additional Development Rights pursuant to this Section 11.

12. **Dispute Resolution.** If a dispute shall arise between Developer and Owner under Sections 2(p), 2(q), 4(b)(i), 4(c)(i), 10(a) or 11 of this Agreement, then the dispute shall be submitted for decision by a neutral third party selected in the following manner. If the dispute concerns a matter of law, the attorneys for each of Developer and Owner shall, within ten business days after receiving notice that a dispute has arisen, jointly select a third attorney to resolve the dispute. If the dispute concerns a matter raised by the plans or applications submitted to the DOB (or to be submitted) for any construction matter affected by this Agreement, the architects for each of Developer and Owner shall, within ten business days after receiving notice that a dispute has arisen, select a third architect to resolve the dispute. In resolving the dispute, the attorney or architect thus selected (the "Arbitrator") shall select one of the solutions proposed by the two attorneys or architects representing the Parties, as the case may be, or shall adopt her own solution. In any event, the Arbitrator shall determine the dispute within twenty (20) days after it is first submitted to her. There shall be no hearings or taking of evidence, but each side may submit its position to the Arbitrator in writing, with such documentary evidence as it deems appropriate. Each Party shall pay one-half of the Arbitrator's fees and costs. The decision of the Arbitrator shall be enforceable in a court of law, but the issues thus decided may not be relitigated. The prevailing Party in the dispute shall be entitled to reimbursement of all attorneys' fees incurred by it in connection with the resolution of the dispute.

13. **Third Party Beneficiaries.** Except as expressly provided in this Agreement, no covenant or agreement contained herein shall inure to the benefit of any party, including, without limitation, any occupant of either the Developer Parcel or the Owner Parcel, other than to Owner and Developer, their respective heirs, distributees, successors and assigns, and any mortgagee of either the Developer Parcel or the Owner Parcel which may become a "mortgagee-in-possession," a purchaser who acquires title to the Developer Parcel or the Owner Parcel through a foreclosure proceeding or a "deed in lieu of foreclosure" or their respective heirs, distributees, successors and assigns, except as otherwise specifically provided herein. The parties hereto further acknowledge and agree that nothing herein contained grants to any party the right or easement of access upon or over the land of any other party, or the right to perform any construction upon the land of any other party, except as specifically provided herein or in any separate agreement that may be entered into by or among any of the parties hereto.

14. **Binding Effect**. All of the grants, interests, easements, covenants, agreements and conditions contained in this Agreement:

(a) shall run with the lands and buildings affected and the parties' respective interests therein;

(b) shall inure to the benefit of and be binding upon every party having any right, title or interest therein or any part thereof and the heirs, distributees, successors and assigns of any such party, and any mortgagee of such party which may become a "mortgagee-in-possession", a purchaser who acquires title to the Developer Parcel or the Owner Parcel through a foreclosure proceeding or a "deed in lieu of foreclosure" or their respective heirs, distributees, successors and assigns;

(c) shall, to the extent rights hereunder are assigned to the holder of any mortgage encumbering any of the properties affected by this Agreement or any interest therein, be enforceable by any such assignee as provided under any such mortgage or documents ancillary thereto; and

(d) shall bind any third party who shall acquire any interest whatsoever in the Owner Parcel or the Developer Parcel, whether from a party hereto or its heirs, legal representatives, successors or assigns, and such third party's interest shall be subordinate to the provisions of this Agreement as if such third party had been a signatory to this Agreement.

15. **Effect of Breach**. No breach by any party to this Agreement of this Agreement or any of the Zoning Documents shall have any effect on the treatment of the Merged Zoning Lot as one zoning lot for purposes of the Zoning Resolution, and the Merged Zoning Lot shall be treated as one zoning lot notwithstanding the occurrence of any breach or the outcome of any subsequent legal proceedings with respect thereto.

16. **Breach Shall Not Defeat Mortgage**. A breach of any of the terms, conditions, covenants, or restrictions of this Agreement or any of the Zoning Documents shall not defeat or render invalid the lien of any mortgage made for value which encumbers either the Developer Parcel or the Owner Parcel, but such terms, conditions, covenants or restrictions shall be binding upon and effective against any person who becomes an owner of either the Developer Parcel or

the Owner Parcel by acquiring title thereto or any portion thereof by foreclosure, trustee's sale or otherwise.

17. **Further Assurances.** Owner and Developer each agree to execute, acknowledge and deliver such further instruments, and take such other or further actions as may be reasonably required in order to carry out and effectuate the intent and purpose of the Declaration, this Agreement or any of the Zoning Documents, or to confirm or perfect any right to be created or transferred hereunder, all at the sole cost and expense of the party requesting such further assurances.

18. **Remedies.** In the event of any breach or threatened breach of this Agreement by any party hereto, the other party shall have the right to any remedy available at law or in equity, including but not limited to injunctive relief and specific performance.

19. **Limitation of Liability.** Notwithstanding anything to the contrary contained herein, each party hereto shall look only to the other party's then estate in the Owner Parcel or the Developer Parcel (or, prior to the Ownership, as the case may be, including insurance proceeds if applicable, for the satisfaction of their respective remedies, and no other property or assets of the other party or its principals, officers, directors, trustees, members and partners disclosed or undisclosed, shall be subject to levy, execution or other enforcement procedure for the satisfaction of the first party's remedies hereunder.

20. **Notices.** Except as may be otherwise expressly provided in this Agreement, any bills, statements, notices, demands, requests, approvals, consents or other communications given or required to be given under or in connection with this Agreement ("**Notices**") shall be effective only if (a) in writing, (b) (i) sent by United States registered or certified mail, return receipt requested, postage prepaid; (ii) delivered by hand; or (iii) sent by nationally recognized overnight courier services, and (c) addressed as follows:

To Owner:	Centurian Realty, LLC 450 Seventh Avenue, 45th Floor New York, New York 10123 Attention: Benjamin Braka
with a copy to:	Seymour I. Hurwitz, Esq. 19 West 44th Street, Suite 1507 New York, New York 10036
To Developer:	261 Owner LLC c/o Naftali Group LLC 1700 Broadway, 16th Floor New York, New York 10019 Attention: Victor Sigoura

with a copy to: Greenberg Traurig, LLP
200 Park Avenue, 15th Floor
New York, New York 10166
Attention: Deirdre A. Carson, Esq.

Each Notice shall be deemed to have been rendered or given (i) on the date delivered, if delivered by hand, (ii) on the next business day, if sent by nationally recognized overnight courier, or (iii) on the date which is three (3) business days after mailing, if mailed as provided in this Section 20. Either party may at any time change the address for Notices to such party by giving a Notice as aforesaid. A Notice may be given by either party or such party's attorney.

21. **Mortgagee Notice**. All notices, demands, consents, approvals, requests or other communications which may be given by any party (the "**Notifying Party**") pursuant to, under or by virtue of this Agreement shall, in the event either the Owner Parcel or the Developer Parcel is encumbered by a mortgage (a "**Mortgage**"), also be sent to the mortgagee thereunder (the "**Mortgagee**"), provided the Notifying Party has been previously given notice that either the Owner Parcel or the Developer Parcel, as the case may be, is encumbered by a Mortgage and the address for notices to such Mortgagee. All notices under this Section 21 shall be given in the same manner as provided in Section 20 hereof. In the event that any Notice shall be given by a Notifying Party of a Violation a Mortgagee of the Owner Parcel or the Developer Parcel, as the case may be, shall have the same rights to remedy or cure such Violation as the Notifying Party. Such remedy or cure performed by a Mortgagee shall be performed in accordance with, and pursuant to, the provisions of Section 9 hereof.

22. **No Oral Agreements; Integration**. Except as stated in this Agreement and the exhibits and schedules annexed hereto, this Agreement contains all the promises, agreements, conditions, inducements and understandings between the parties relative to the matters stated herein and therein, and there are no promises, agreements, conditions, understandings, inducements, warranties or representations, expressed or implied, between the parties other than as set forth herein and therein. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings of the parties in connection herewith, other than with respect to any agreement between the parties hereto either (i) executed and delivered simultaneously with this Agreement, and/or (ii) which, implicitly or explicitly, by its terms survives the execution of this Agreement and/or the closing thereof. This Agreement may not be modified, amended or terminated except by an instrument in writing signed by the parties hereto, except that any party in interest to any other parcels merged with the Merged Zoning Lot in accordance with the Declaration or an Amendment, thereto, shall be deemed to be bound by the provisions of this Agreement upon the execution of a document to that effect between Developer and such party only; provided, however, in the event the Owner Parcel or the Developer Parcel or any other parcel merged with the Merged Zoning Lot is encumbered by a mortgage, and the mortgagee thereunder reasonably requests a modification or amendment to this Agreement which does not materially increase the obligations or decrease the rights of the parties hereunder, the parties agree to amend or modify this Agreement accordingly.

23. **Estoppel Certificates**. Whenever requested by a party, the other party shall within twenty (20) business days thereafter furnish to the requesting party a written certificate

setting forth: (i) whether this Agreement is in full force and effect; (ii) the extent to which this Agreement has been assigned, modified or amended by any instrument, whether or not of record (and if it has, then stating the nature thereof); (iii) whether the other party has served any written notice of default under this Agreement, which default remains uncured; (iv) that the certificate may be relied upon by the requesting party; and (v) that, to the best of its knowledge, there exists no state of facts which, with the giving of notice, the passage of time, or both, would constitute a default by the requesting party under this Agreement. Such certificate shall act as a waiver of any claim by the party furnishing such certificate to the extent such claim is based upon facts which are contrary to those asserted in the certificate but only to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts contrary to those contained in the certificate and who has acted in reasonable reliance upon the certificate. Such certificate shall in no event subject the party furnishing it to any liability whatsoever (except for fraud), notwithstanding the negligent or inadvertent failure of such party to disclose correct or relevant information.

24. **Recording**. This Agreement shall be recorded in the Office of the City Register for New York County.

25. **Governing Law; Jurisdiction.**

(a) This Agreement shall be governed by, and construed in all respects in accordance with, the internal laws of the State of New York (without giving effect to New York's principles of conflicts of law).

(b) Each party hereby irrevocably submits to the exclusive jurisdiction of any New York State or Federal court sitting in the Borough of Manhattan, City of New York over any suit, action or proceeding commenced by or on behalf of any party hereto arising out of, or relating to, this Agreement. To the extent permitted by Legal Requirements, Owner and Developer hereby waive trial by jury in any action or proceeding, and with respect to any claim asserted in any such action or proceeding, brought by either of the parties against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of Owner and Developer, any claim of injury or damage, or any emergency or other statutory remedy with respect thereto. Owner and Developer each hereby agree and consent that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any New York State or Federal court sitting in the Borough of Manhattan, City of New York may be made by certified or registered mail, return receipt requested, directed to such party at the address indicated in Section 20 hereof, and service so made shall be complete three (3) days after the same shall have been mailed.

26. **Non-Waiver of Performance**. Any failure by a party hereto (collectively and/or individually referred to herein as the "non-waiving party") to insist upon the strict performance by the other party hereto of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the nonwaiving party, notwithstanding such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by the other party.

27. **Pronouns, etc.** All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require. The terms "herein," "hereof," or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used unless a contrary intent is expressly set forth.

28. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which taken together shall be construed as and shall constitute but one and the same instrument.

29. **Severability.** If any term of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law, with the parties hereto covenanting nonetheless to negotiate in good faith, in order to agree upon the terms of a mutually satisfactory provision to be substituted for the term or provision which is void or unenforceable.

30. **Captions; Headings.** The captions, paragraph headings, titles and sections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

31. **Easements for Access to Maintain Owner Building Elevator.** Developer may elect to construct the New Building so that it incorporates the existing elevator bulkhead (the "**Bulkhead**") in the Owner Building within the envelope of the New Building. In such case, Developer shall cooperate with Owner in a design for the incorporation of the Bulkhead in the Cantilevered Portion that will be reasonably acceptable to Owner in all details of design and function and shall maintain in all respects the legality of the Bulkhead under all applicable codes, preserving all necessary means of egress and ingress into such structure, and permitting access thereto for all periodic maintenance and servicing, as well as any desired or required replacement or rebuilding of such elevator, while maintaining and protecting the fire-rated status of the structure containing the elevator, as mandated by Legal Requirements. In such event, Owner and Owner's contractors, tradespeople, workmen, laborers, architects, engineers and other professionals ("**Owner's Contractors**") and building managers shall have an easement for access into and through the New Building for all purposes required for the maintenance, operation, repair and replacement of the elevator and Bulkhead, which may be employed on weekdays from the hours of 8 a.m. through 4 p.m. on weekdays and at any time in an emergency. Such access shall not require prior notice to Developer or any representative of Developer responsible for the operation and management of the New Building. Owner shall indemnify and hold Developer harmless from and against any and all claims, costs, causes of action, suits, judgments or liabilities ("Claims") asserted by or against Owner's Contractors arising out of or relating to the use of the easement for access provided by this Agreement, except that Owner shall not be required to indemnify under this Section 31 for an Claims caused by or resulting from the negligence or willful misconduct of Developer, its employees, agents, representatives, contractors, workmen or laborers. The parties may hereafter confirm the terms and conditions of use of this access easement by separate written agreement.

32. **Exhibits and Schedules.** Each of the exhibits and schedules referred to herein and attached hereto is incorporated herein by this reference.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

OWNER:

CENTURIAN 245 LLC,
a Delaware limited liability company

By: _____
Name: Benjamin Braka
Title: Vice President

[signatures continue on following page]

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 19 day of Dec. in the year 2012 before me, the undersigned, personally appeared Benjamin Brake, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

[Notary Acknowledgment to Zoning Lot Development and Easement Agreement – 245 West 25th Street]

245 OWNER LLC,
a Delaware limited liability company

By: _____
Name: Michael Naftali
Title: Authorized Signatory

[signatures continue on following page]

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 19th day of Dec. in the year 2012 before me, the undersigned, personally appeared Michael Natoli, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

SEAL

[Notary Acknowledgment to Zoning Lot Development and Easement Agreement – 245 West 25th Street]

245 PARTNERS LLC,
a Delaware limited liability company

By: _____
Name: Victor Sigoura
Title: Authorized Signatory

[signatures continue on following page]

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 19th day of DEC in the year 2012 before me, the undersigned, personally appeared Victor Sigoura, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

SEAL

[Notary Acknowledgment to Zoning Lot Development and Easement Agreement – 245 West 25th Street]

245 WEST 25TH STREET BUILDING OWNER LLC,
a Delaware limited liability company

By: _____
Name: Bradley A. Settlemoir
Title: Authorized Signatory

[signatures continue on following page]

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 19 day of December in the year 2012 before me, the undersigned, personally appeared Bradley A. Seltzer, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

Emily S. Wallace
Notary Public

EMILY S WALLACE
Notary Public, State of New York
No. 01WA6146103
Qualified in New York County
Commission Expires May 15, 2014

SEAL

[Notary Acknowledgment to Zoning Lot Development and Easement Agreement – 245 West 25th Street]

DEVELOPER 1:

261 OWNER LLC,
a Delaware limited liability company

By: _____
Name: Michael Naftali
Title: Authorized Signatory

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 19 day of Dec. in the year 2012 before me, the undersigned, personally appeared Michael Naftali, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

SEAL

[Signature page to Zoning Lot Development and Easement Agreement]

EXHIBIT "A"

Legal Description – Owner Land

Block 775, Lot 9

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, County and State of New York, bounded and described as follows:-

BEGINNING at a point on the northerly side of West 25th Street distant 193 feet 9 inches easterly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with 8th Avenue, 98 feet 9 inches to the center line of the block between West 25th and West 26th Streets;

RUNNING THENCE easterly along said center line of the block, 151 feet 3 inches to a point distant 455 feet westerly from the westerly side of Seventh Avenue;

RUNNING THENCE southerly parallel with Seventh Avenue, 98 feet 9 inches the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, 151 feet 3 inches to the point or place of **BEGINNING.**

EXHIBIT "B"

Legal Description – Developer Land

Block 775 Lot 8

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street, distant 168 feet 11 inches (deed), 168 feet 8 ½ inches (actual and tax map), easterly from the corner formed by the intersection of the easterly side of 8th Avenue with the northerly side of West 25th Street;

RUNNING THENCE northerly along a line forming an interior angle with the northerly side of West 25th Street of 90 degrees 00 minutes 00 seconds (deed), 90 degrees 56 minutes 00 seconds (actual), a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map) to the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along a line forming an interior angle with the last mentioned course of 89 degrees 04 minutes 00 seconds, which line is also the center line of the block between West 25th Street and West 26th Street a distance of 24 feet 10 inches (deed), 26 feet 7 ¾ inches (actual) to a point, which point is 193 feet 9 inches easterly from the easterly side of 8th Avenue, when measured at right angles thereto;

THENCE southerly along a line forming an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course a distance of 98 feet 9 inches to point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, which northerly side of West 25th Street forms an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course, a distance of 24 feet 10 inches (deed), 25 feet 0 ½ inches (actual and tax map), to the point or place of BEGINNING.

EXHIBIT "C"
Description of Developer Parcel

Block 775, Lot 6

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 119 feet 2 ½ inches westerly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of Eighth Avenue;

RUNNING THENCE northerly along a line forming an interior angle of 91 degrees 03 minutes 10 seconds with the northerly side of West 25th Street a distance of 98 feet 9 1/8 inches to a point on the center line of the block between West 25th Street and West 26th Street, which point is distant 117 feet 4 ¾ inches easterly from the easterly side of Eighth Avenue, when measured along a line which forms an exterior angle of 91 degrees 03 minutes 10 seconds with the last mentioned course;

THENCE easterly along said center line of the block between West 25th Street and West 26th Street, which center line forms an interior angle of 88 degrees 56 minutes 50 seconds with the last mentioned course a distance of 49 feet 8 ½ inches to a point;

THENCE southerly along a line forming an interior angle of 90 degrees 56 minutes 00 seconds with the center line of the block between West 25th Street and West 26th Street a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map),to a point on the northerly side of West 25th Street;

THENCE westerly along northerly side of West 25th Street, which northerly side forms an interior angle of 89 degrees 04 minutes 00 seconds with the last mentioned course a distance of 49 feet 8 inches (deed), 49 feet 6 inches (actual and tax map), to the point or place of BEGINNING.

EXHIBIT "D"

Construction and Maintenance Easement Agreement

(follows immediately)

CONSTRUCTION AND MAINTENANCE EASEMENT AGREEMENT

THIS CONSTRUCTION AND MAINTENANCE EASEMENT AGREEMENT (this "Agreement") is made as of this ____ day of December, 2012 by and between 245 Owner LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 1**"), 245 Partners LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 2**"), Centurian 245 LLC, a Delaware limited liability company having an address at 450 Seventh Avenue – 45th Floor, New York, New York 10123 ("**TIC Owner 3**") and 245 West 25th Street Building Owner LLC, 9 West 57th Street, New York New York 10019 ("**TIC Owner 4**")(TIC Owner 1, TIC Owner 2, TIC Owner 3 and TIC Owner 4, as Tenants-in-Common; collectively, the "**Owner**" and each, individually, a "**TIC Owner**") and 261 Owner LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**Developer**").

WITNESSETH:

WHEREAS, Owner is the owner of the real property known by the street address 245 West 25th Street, New York, New York, and identified on the Tax Map of the City of New York, County of New York (the "Tax Map") as Block 775, Lot 9 ("Owner Land"), which land is more particularly described in Exhibit A hereto, and the building and improvements thereon (the "Owner Building") (the Owner Land and the Owner Building, collectively, the "Owner Premises");

WHEREAS, Developer is the owner of the real property known by the street addresses 261 West 25th Street and 263-265 West 25th Street, New York, New York, and identified on the Tax Map as Block 775, Lots 8 and 6, which is more particularly described on Exhibit B hereto (the "Developer Premises");

WHEREAS, the Developer Premises is adjacent to the Owner Premises;

WHEREAS, Developer and Owner have executed that certain Zoning Lot Development and Easement Agreement, dated as of the date hereof (the "ZLDEA"), pursuant to which inter alia Owner has granted Developer an easement for the construction and continued maintenance of the Cantilevered Portion within the Cantilever Area (as such terms are defined in the ZLDEA);

WHEREAS, Developer intends to undertake the construction (the "Construction") of a new building (the "New Building") on the Developer Premises, including a portion of such New Building that will cantilever eastward over the roof of the Owner Building within an area of the Owner Premises defined as the "Cantilever Area" in the ZLDEA;

WHEREAS, Developer desires an easement from Owner permitting Developer to enter the Owner Premises to (a) take all necessary steps required under the applicable provisions of the New York City Building Code as it may be amended from time to time (the "Building Code") to ensure the safety and structural integrity of the Owner Building and Owner Premises during Construction, which may include, among other things: (i) the installation of soldier piles/beams,

other forms of shoring and sheeting and earth retention systems, and the forming, pouring and construction of underpinnings, and foundation walls or any necessary structures required to complete construction of the New Building foundations (collectively, the "Subsurface Work"); (ii) the attachment of foundation and building supports, tie-backs and similar supports (collectively, the "Foundation Work"); (ii) the installation of Rooftop Protection (as defined herein) on and over the roof of the Owner Building or any portion thereof and any equipment thereon (collectively, the "Roof Work"), and (iii) the erection of temporary protections such as scaffolding, fences, sheds, bracing, decking and/or a sidewalk bridge along the walls of the Owner Building and in the front and rear yards of the Owner Premises, and the construction of protective covering, such as netting over the façade of the Owner Building fronting on West 25th Street, and cocooning (collectively, the "Protective Work"); (b) facilitate the Construction of the New Building by permitting Developer to (i) construct the Cantilevered Portion of the New Building in the Cantilever Area (as such term is defined in the ZLDEA) and install the structural supports and columns on the Owner Premises authorized by the Cantilever Easement (the "Cantilever Construction Work"), and (ii) operate the booms and associated tackle of a crane over the roof of the Owner Building (the "Crane Work"; together with the Subsurface Work, the Foundation Work, the Roof Work, the Protective Work, the Cantilever Construction Work, the "Adjacent Property Work"); and (c) periodically, after completion of the New Building, to enter the Owner Premises to perform such periodic maintenance, repair, replacement, alteration, improvement and reconstruction work as shall be necessary to maintain the Cantilevered Portion of the New Building for the life thereof (the "Cantilever Maintenance");

WHEREAS, performance of the Adjacent Property Work and periodic Cantilever Maintenance requires both access to the Owner Premises and the right to use such property on a temporary basis until the construction of the New Building is complete, or, in the case of Cantilever Maintenance, the required work is complete;

WHEREAS, the Building Code contemplates that Developer will seek, and that Owner will provide access to the Owner Premises, as an adjacent property, in connection with obtaining a building permit for construction of the New Building;

WHEREAS, Owner is willing to grant Developer a non-exclusive Easement to perform the Adjacent Property Work and Cantilever Maintenance and Developer is willing to perform the Adjacent Property Work and Cantilever Maintenance all upon the terms and conditions more particularly set forth herein.

NOW, THEREFORE, in consideration of the foregoing recitals, and other good and valuable consideration, the receipt and adequacy of which are hereby conclusively acknowledged, the parties agree as follows:

1. Grant of Easement. Subject to the terms and provisions of this Agreement, Owner hereby grants to Developer and its contractors, employees, agents, workmen, tradespeople, laborers, engineers, architects, other professionals and representatives (collectively, "Developer's Agents"), and Developer, for itself and on behalf of Developer's Agents, hereby accepts from Owner an easement (the "Easement") to enter and use, at Developer's sole cost and expense, such portions of the Owner Premises as are reasonably necessary to undertake the Adjacent Property Work and the Cantilever Maintenance (such portions, the "CMEA Easement

Area"), on the terms and conditions set forth herein. The Easement created by this Agreement shall include all easements in and to such portions of the Owner Premises as may be required by Applicable Law (as hereafter defined), any New York City agencies and consistent with good construction practice and shall include:

(a) Access to and use of portions of the Owner Premises required for the Adjacent Property Work and Cantilever Maintenance;

(b) The right to construct, install and maintain on, around or over the Owner Premises such protective measures, including without limitation, fences, sheds, bridges, scaffolding and protective covering over the roof, façade and other portions of the Owner Premises and the maintenance and repair of such protective facilities as may be required by the New York City Department of Buildings (the "DOB") or the DOB's Buildings Enforcement Safety Team ("BEST Squad");

(c) The right to perform Preconstruction Surveys, existing condition surveys, post-construction surveys or other surveys mandated by Applicable Law ("Surveys");

(d) The right to perform the Subsurface Work and the Foundation Work during the excavation and foundation construction process either to protect the Owner Building or construct the New Building;

(e) The right to perform the Protective Work;

(f) The right to make, at Developer's sole cost and expense, minor, cosmetic repairs to the exterior walls of the Owner Building, to the extent such repairs are necessary or appropriate as a result of the Adjacent Property Work or the Cantilever Maintenance, subject to and in accordance with Section 9(g) hereof;

(g) The right to have access to the roof of the Owner Building and, to the extent reasonably necessary, to other portions of the Owner Building, so as to perform the Roof Work , which may include scaffolding and/or a construction fence, bracing, decking, scaffolding, bridging or cocooning, enclosing or modifying (the "Rooftop Protection") any bulkhead, light well, fence, elevator shaft, water tower, antenna, satellite dish, chimney, flue, vent, pipe, exhaust, ladder, fire escape, or other mechanical or telecommunications equipment (collectively, "Rooftop Mechanicals"), so as to protect the roof of the Owner Building and the Rooftop Mechanicals against damage as may be required by the DOB or BEST Squad;

(h) Such other and further easements and access rights to enter into or onto the Owner Premises during the performance of the construction of the New Building and Cantilever Maintenance as required or appropriate to maintain the Cantilevered Portion in sound, first-class condition; and

(i) The right to modify or relocate, at Developer's sole cost and expense, any Rooftop Mechanicals, including, but not limited to, boiler flues, toilet or kitchen exhausts currently appurtenant to the Owner Building, as may be necessary to ensure the Owner Building and the New Building both comply with Applicable Law, but only so long as such

alterations do not adversely affect any tenants of the Owner Building or the current performance of any Rooftop Mechanicals.

2. Term.

(a) The term of the Easement for the Adjacent Property Work (the "Adjacent Property Work Term") shall commence on the date Developer first obtains a permit from the DOB for the performance of any of the Adjacent Property Work, but in no event later than ten (10) years from the date of execution of this Agreement (i.e., December 21, 2022)(the "Outside Commencement Date"), and shall automatically expire on the earlier to occur of (a) the issuance of a temporary certificate of occupancy ("TCO") for the New Building, provided that the Cantilevered Portion of the New Building is actually occupied under the TCO; or (b) five (5) years from the date of commencement of any Adjacent Property Work (such earlier date, the "Expiration Date"), subject to Unavoidable Delay. Notwithstanding the foregoing, the term of the Easement shall commence at an earlier date if required for the performance of Surveys. "Unavoidable Delay" means delays which are caused by any of the following and which are not attributable to the acts or omissions of Developer or its affiliates or Developer's Agents: acts of God, war, hostilities, invasion, insurrection, terrorism, riot, mob violence, earthquake, flood, unusually severe weather, fire or other casualty, strikes, labor unrest (except to the extent such strikes, labor unrest or other employee disturbances or labor disputes take place at the Developer Premises only or at the Developer Premises and other projects or properties being developed by affiliates of Developer only), unusual site conditions which could not have been reasonably foreseen by Developer's exercise of customary and prudent due diligence and other circumstances of a similar nature that are beyond the reasonable control of Developer and its affiliates. It is hereby understood that the Easement for the Adjacent Property Work granted does not authorize Developer to enter or use the CMEA Easement Area at any time or for any purpose other than in connection with the performance of the Adjacent Property Work.

(b) The Easement for Cantilever Maintenance may be exercised only after the date Developer first obtains a temporary certificate of occupancy permitting the occupancy of the Cantilevered Portion and may be utilized periodically and intermittently as required to maintain the Cantilever in good, first-class condition for so long as the Cantilever, or any replacement building or structure occupying the Cantilever Area and attached to and forming part of the New Building or any replacement thereof, shall stand. The term for each instance of the exercise of the Easement for Cantilever Maintenance shall commence at the time Developer enters the CMEA Easement Area pursuant to a notice given to Owner pursuant to Section 3 of this Agreement and continue for only so long as is required to complete the Cantilever Maintenance, it being understood that the Easement for Cantilever Maintenance granted does not authorize Developer to enter or use the CMEA Easement Area at any time or for any purpose other than in connection with the performance of Cantilever Maintenance.

3. Use. Developer and Developer's Agents shall use the CMEA Easement Area solely for the performance of the Adjacent Property Work and Cantilever Maintenance and for no other purpose. Developer shall provide not less than ten (10) days prior notice to Owner, and, in any event, the notice required by the Building Code, in advance of its exercise of the Easement with respect to each discrete category of the Adjacent Property Work and instance of

Cantilever Maintenance; however, once notice has been given and work has begun with respect to any discrete category of Adjacent Property Work or instance of Cantilever Maintenance, use of the Easement shall continue from day to day in the ordinary course with respect to such work during any hours in which such work is permitted pursuant to Applicable Law, subject to the provisions of Section 11 hereof, until the work in question is completed. The term "Applicable Law" shall mean all presently existing or hereafter enacted applicable laws, codes, statutes, orders, ordinances, rules, regulations and requirements of all federal, state, municipal and local governments and their departments, agencies, commissions, boards and officers or any other body exercising similar jurisdiction and any other governmental agency having jurisdiction over the CMEA Easement Area. In addition, in the case of Cantilever Maintenance, prior to entering into the CMEA Easement Area, and at the time notice is given of the anticipated commencement date of the work, such notice shall also provide both a description of the scope of the work to be performed and the date by which the intended Cantilever Maintenance work in question shall be completed.

4. Preconstruction Survey. Prior to commencement of the earlier to occur of any Adjacent Property Work on the Owner Premises or any Construction (including, without limitation, any site preparation or excavation work) on the Developer Premises ("Construction Commencement"), Developer shall cause an engineer reasonably acceptable to Owner (the "Developer Engineer") to prepare a "preconstruction survey" (the "Preconstruction Survey") that will document the then-existing condition of the Owner Building, in order to (i) document (including, without limitation, the right to photograph and videotape) the condition of the exterior, interior, roof, parapets, basement and/or cellar of the Owner Building to serve as a baseline or reference point in the event of any claim that the construction activities of Developer have caused any damage to the Owner Building and (ii) to identify any potential structural issues (such as visible cracks) that might impact the construction activities required for the Construction of the New Building. Developer agrees that the Preconstruction Survey shall be scheduled in consultation with the Owner or its designated representative during normal business hours and that the Developer Engineer hired or retained to perform the Preconstruction Survey shall have in full force and effect insurance coverage on commercially reasonable terms (in accordance with Section 18(c) hereof) and in commercially reasonable amounts as reasonably acceptable to Owner. Prior to commencing the Preconstruction Survey, Developer shall provide (or shall cause the Developer Engineer to provide) Owner with copies of certificates of insurance evidencing such insurance coverage. Owner shall reasonably cooperate with Developer in the conduct of the Preconstruction Survey. An engineer hired by Owner ("Owner Engineer") may, at Owner's election, accompany the Developer Engineer during its review of the existing conditions of the Owner Building and Developer shall provide (or shall cause the Developer Engineer to provide) Owner and Owner Engineer with a final draft of the Preconstruction Survey for its review and comment not less than twenty (20) days prior to Construction Commencement. Owner Engineer shall have ten (10) days to provide such comments ("Preconstruction Survey Comments"), if any, to Developer Engineer. If the Owner Engineer and the Developer Engineer (together, the "Engineers") are unable to resolve a dispute concerning a Preconstruction Survey Comment within ten (10) business days after Developer Engineer's receipt of same from Owner Engineer, then the dispute shall be submitted to a third engineer (the "Arbitrator Engineer"), who shall meet with the Engineers and render a decision either confirming the findings of the Preconstruction Survey suggested by one of the Engineers or shall make his own findings (an "Alternative"). The Alternative shall be selected within ten (10) business days after the

Arbitrator Engineer first meets with the Engineers. The Alternative shall be adopted by the Engineers and incorporated into the Preconstruction Survey. Developer agrees to pay the cost of the Arbitrator Engineer's fees and expenses. The Arbitrator Engineer shall be selected from the list of foundation and/or structural engineers attached to this Agreement as Exhibit C. Nothing contained in this Section 4 shall be deemed to be in derogation of Developer's obligations with respect to site safety under the Building Code.

5. Protective Plans.

(a) At least fifteen (15) business days prior to commencing the Adjacent Property Work, Developer shall provide to Owner, for Owner's reasonable review and approval pursuant to the procedures prescribed in Section 5(b) of this Agreement, a copy of Developer's plans, specifications, design, and means and methods of construction ("Means and Methods") for all of the Adjacent Property Work, including, without limitation, the Subsurface Work and the Foundation Work, which shall be prepared by a licensed architect or engineer ("Protective Plans"). Developer represents that the Protective Plans will comply with all Applicable Law and with all other standards set forth in Section 6 hereof. Developer shall cause the Protective Plans to be modified in the event of any change in field conditions that would necessitate a change in Developer's plans, specifications, design, or Means and Methods for the Adjacent Property Work, as determined by Developer's licensed architect or engineer, and, in such event, Developer shall promptly submit such modified Protective Plans to Owner for Owner's reasonable review.

(b) Owner may retain, at Developer's sole cost and expense, a structural and/or geotechnical engineer licensed in the State of New York and approved by Developer in its reasonable discretion (the "Owner Engineer"), who may review the Protective Plans and, if appropriate in his or her professional opinion, provide reasonable comments or objections ("Plan Comments") to Developer or the Developer Engineer with respect to the Protective Plans and/or any modifications made thereto. Developer shall reimburse Owner for the reasonable cost of engaging such Owner Engineer during the performance of the Adjacent Property Work and the construction of the Cantilever, such reimbursement to be made within thirty (30) days after Developer's receipt of Owner's invoice for same. Owner or the Owner Engineer shall submit any Plan Comments to Developer or Developer Engineer within twenty-five (25) days after receipt of the Protective Plans and/or any modifications made thereto and must state in the Plan Comments its basis for any and all comments or objections to the Protective Plans and/or any modifications made thereto. Before commencing the Adjacent Property Work, Developer shall respond to all Plan Comments, either by modifying the Protective Plans to incorporate the content of the Plan Comments or by providing an explanation as to why, in the opinion of the Developer Engineer, the Plan Comment(s) lack merit. In either case, the Owner Engineer shall propose an alternative. If the Engineers are unable to resolve a dispute concerning a Plan Comment within ten (10) business days after Developer Engineer's receipt of the Plan Comments, then the dispute shall be submitted to an Arbitrator Engineer, who shall meet with the Engineers and render a decision either confirming the designs, means or methods suggested by one of the Engineers or shall select an alternative design, means and/or method (an "Alternative"). The Alternative shall be selected within ten (10) business days after the Arbitrator Engineer first meets with the Engineers. The Alternative shall be adopted by the Engineers and incorporated into the Protective Plans,

provided that said Alternative shall comply in all respects with Applicable Law. Developer agrees to pay the cost of the Arbitrator Engineer's fees and expenses. The Arbitrator Engineer shall be selected from the list of foundation and/or structural engineers attached to this Agreement as Exhibit C. Nothing contained in this Section 5(b) shall be deemed to be in derogation of Developer's obligations with respect to site safety under the Building Code. In no case may Developer Engineer be required to incorporate an Alternative into the Protective Plans if it reasonably believes such Alternative will impair the structural integrity of the Owner Building. If Owner and/or the Owner Engineer shall fail to deliver any Plan Comments within twenty-five (25) days after receipt of the Protective Plans, Owner shall be deemed to have consented to the Protective Plans. Developer shall provide Owner and the Owner Engineer with all relevant information, designs, specifications and plans reasonably requested so that Owner and the Owner Engineer may make their determination regarding the adequacy of the Adjacent Property Work and the Protective Plans.

(c) If Developer shall elect to satisfy the requirements of Applicable Law with regard to construction above the roof of an occupied building by vacating the top two stories of the Owner Building (the "Alternate Protective Plan"), Owner shall cooperate in good faith with Developer in attempting to relocate all tenants of the top two (2) stories of the Owner Building in order to effectuate the Alternate Protective Plan for the duration of construction of the structural platform that will support the Cantilevered Portion, provided, however, that in no event shall Owner be required to take any legal action against any such tenants to effectuate the Alternative Protective Plan. Implementation of the Alternate Protective Plan shall be at Developer's sole cost and expense and the facility into which such tenants shall be relocated shall be selected and paid for by Developer, but shall be subject to Owner's prior approval, not to be unreasonably withheld or conditioned and shall be at least an extended stay type of hotel accommodation, providing cooking facilities for all relocated tenants. In addition, implementation of the Alternate Protective Plan shall be subject to the consent of, and the rights of, any and all such tenants. Tenants who consent to be relocated shall be permitted to have access to their dwelling units in the Owner Building during any hours in which construction is not occurring. Developer shall pay for the actual costs of relocation of any and all such tenants. In addition, Developer will reimburse Owner for any rent foregone from relocated tenants during the period of construction of the structural platform and shall also pay the monthly cost of the extended stay hotel for each tenant. Developer shall indemnify, defend and save Owner, and Owner's principals, beneficiaries, members, shareholders, directors, officers, agents, employees, and its successors and assigns, harmless from and against any and all claims, actions, losses, liabilities, damages, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees) asserted or obtained by a relocated tenant against Owner, provided that Owner shall notify Developer within five (5) business days after the commencement of any such action, shall permit Developer to defend the action with counsel selected by Developer and shall not settle any such lawsuit without Developer's prior written consent.

(d) Prior to commencing construction of the Cantilevered Portion of the New Building or exercising any of the easements provided in this Agreement relating to the construction of the Cantilevered Portion (but not including any easements permitting Adjacent Property Work that would be required for construction of a building located solely on the Developer Premises), Developer shall obtain the consent of Manufacturer's and Traders Trust

Company (Owner's Initial Mortgagee"), which consent may be given or withheld for any reason or for no reason, in the Owner's Initial Mortgagee's sole discretion. If Developer so requests, in writing, Owner's Initial Mortgagee shall promptly thereafter provide to Owner and Developer an explanation of the reason, if any for its denial of consent and allow Developer an opportunity to modify or explain its plans; it being understood that regardless of such modification or explanation by Developer, the Owner's Initial Mortgagee shall be under no obligation to consent to the commencement of the aforesaid construction. Upon Developer's request, Owner's Initial Mortgagee shall provide an explanation of the reason, if any, for its denial of consent and allow Developer an opportunity to modify or explain its plans. At such time as Owner's Initial Mortgagee shall cease to hold a mortgage on the Owner's Premises, the rights to consent to the commencement of construction as provided herein shall terminate and, notwithstanding any other provisions in this Agreement to the contrary, the rights conferred pursuant to this paragraph (d) shall not run to the benefit of any successors or assigns of Owner's Initial Mortgagee.

6. Standards of the Adjacent Property Work.

(a) Once Construction of the New Building has commenced, Developer shall diligently perform the Adjacent Property Work in accordance with the Protective Plans in a good and worker-like manner and in accordance with Applicable Law.

(b) The Adjacent Property Work shall be performed in such a manner as to take into account any salient issues raised by the Preconstruction Survey, such as the presence of cracks or other sensitive or weak areas in the Owner Building. In the event that the Preconstruction Survey shows any signs of potential problems, such as visible cracks or other sensitive or weak areas in the Owner Building, "telltales" or crack gauges shall be installed across such existing cracks and in such sensitive areas to permit changes in crack width to be measured.

(c) Prior to Construction Commencement, Developer may install vibration monitors in the Owner Building and on the Owner Land to establish a measurement of base-line vibrations under ambient conditions for the Owner Premises. During Construction, Developer Engineer shall install vibration monitors in the Owner Building and on the Owner Land which shall remain on the Owner Premises until the completion of the foundation of the New Building. In the event that either (i) movement or cracking of the Owner Building is detected, or (ii) Owner notifies Developer of any such movement or cracking, Developer shall promptly notify Owner, and Developer Engineer and Owner Engineer shall promptly discuss and consider the appropriate remedial steps to be implemented by Developer. If the Engineers are unable to resolve a dispute concerning the methods to be employed to prevent any vibration damage to the Owner Building (or to eliminate the risk of further vibration damage) within ten (10) business days after either Engineer gives the other notice of the existence of the dispute, then the dispute shall be submitted to an Arbitrator Engineer, who shall meet with the Engineers and render a decision either confirming the designs, means or methods suggested by one of the Engineers or shall select alternative designs, means and/or methods (an "Alternative"). The Alternative shall be selected within ten (10) business days after the Arbitrator Engineer first meets with the Engineers. The Alternative shall be adopted by the Engineers and incorporated into Developer's plans and specifications, provided that said

Alternative shall comply in all respects with Applicable Law. Developer agrees to pay the cost of the Arbitrator Engineer's fees and expenses. Nothing contained in this Section 6(c) shall be deemed to be in derogation of Developer's obligations with respect to site safety under the New York City Building Code. All remedial work required to correct or repair damage resulting from vibrations caused by the Construction shall be performed promptly by Owner at Developer's sole cost and expense; provided, that, (x) Owner shall submit to Developer reasonably detailed invoices setting forth the work performed on the Owner Premises and the costs and expenses of such work, and (y) such costs and expenses shall be reasonable and customary for properties in New York City in light of the nature of such damage to the Owner Premises. Developer agrees to provide copies of the vibration monitor data to Owner Engineer not less frequently than every thirty (30) days and to keep data produced by the vibration monitors on file until issuance of the first temporary certificate of occupancy that allows for the occupancy of the entire New Building.

(d) During the Construction of the super-structure of the New Building, Developer, Owner, Owner's designated professionals and/or representatives, Developer's construction manager and, if necessary, Developer Engineer and Developer's architect and other consultants and professionals shall meet at scheduled times and locations every other month (unless otherwise agreed by Developer and Owner), beginning with the month in which the Construction Commencement occurs and continuing until the completion of the super-structure of the New Building. Developer shall reimburse Owner for the reasonable cost of engaging any such designated professionals and/or representatives, such reimbursement to be made within thirty (30) days after Developer's receipt of Owner's invoice for same. Thereafter, unless otherwise agreed by Developer and Owner, such meetings shall be held once every three (3) months until the New Building is enclosed. Developer shall provide to Owner at each such meeting a report summarizing the status of the Construction of the New Building and the Adjacent Property Work.

(e) Developer agrees to consult with Owner with respect to the design of the scaffold and/or sidewalk bridge in front of the Owner Premises, if one is required, and to institute commercially reasonable security measures requested by Owner for the portion of the scaffold and/or sidewalk bridge in front of [the Owner Building] or in the yards of the Owner Premises at Developer's sole cost and expense. Developer shall minimize, to the extent reasonably possible, any potential interference with ingress and egress by residents and tenants of the Owner Building. Developer shall not place, or permit to be placed, any signage, notices or advertisements on any such scaffold and/or sidewalk bridge, except as otherwise required by Law.

(f) The Owner Engineer, if retained, shall have the right to monitor the Adjacent Property Work (and the Cantilever Maintenance in accordance with Section 10(b)) at all times during the performance thereof and shall be granted reasonable access on reasonable notice for the purpose of performing such monitoring; provided, that, if any access is needed by the Owner Engineer to the Developer Premises, such access shall only occur (i) in the company of a representative of Developer and Developer agrees to make a representative available for that purpose on two (2) business days written notice, and (ii) upon written request of Owner to Developer, which request shall set forth the basis for the necessity of such access by the Owner Engineer. If (1) the Owner Engineer reasonably objects to any

element of the Adjacent Property Work on the basis that same does not comply with the provisions of this Agreement, and, after consultation between Owner Engineer and Developer Engineer (which consultation shall occur promptly following notification by Owner Engineer of such concern), Developer Engineer refuses to correct or revise such element of the Adjacent Property Work, and/or (2) the Owner Engineer has determined that a safety concern posing an imminent danger exists or the Owner Building will suffer material damage if the Adjacent Property Work continues, then the Engineers shall promptly meet to attempt to resolve the dispute. If the Engineers are unable to resolve the dispute within ten (10) business days after the Owner Engineer has notified the Developer Engineer of an objection to the Adjacent Property Work, then the Engineers shall select an Arbitrator Engineer from Exhibit C and shall thereafter follow the same procedure provided in Section 6(c) of this Agreement for the resolution of disputes concerning vibrations in resolving disputes about ongoing Construction of the Adjacent Property Work.

(g) The Rooftop Protection and any other protective covering as required by Applicable Law on the roof of the Owner Building shall be designed and constructed by Developer, to the extent reasonably practical, to minimize interference with the occupants of the Owner Building and shall also be designed so as not to interfere in any material respect with the operation of the Rooftop Mechanicals or to prevent reasonable access to the Rooftop Mechanicals for repair, maintenance or replacement through existing stair or elevator bulkheads.

7. Permits and Licenses. Developer and Developer's Agents shall obtain and maintain in full force and effect, at their sole cost and expense, all permits and licenses required pursuant to Applicable Law in connection with the Adjacent Property Work and copies of such permits and licenses shall be provided to Owner prior to the commencement of the Adjacent Property Work.

8. Removal from the CMEA Easement Area after Performance of Construction. Subject to the provisions of Paragraph 2 of this Agreement, upon completion of Construction, or on or before the Expiration Date for the Adjacent Property Work, Developer shall quit and vacate the CMEA Easement Area, in good order and condition, and Developer shall remove all of its equipment, materials and property (and all equipment, materials and property of Developer's Agents and any other person or entity claiming by, through or under Developer) (collectively, "Developer Materials") from the CMEA Easement Area and promptly repair and restore, at Developer's sole cost and expense, any damage to the CMEA Easement Area and the Owner Premises caused by such removal, and Developer shall not hold-over in possession, or make any application for so holding-over, for any reason whatsoever. If the CMEA Easement Area is not vacated as and at the time and in the condition required by this Agreement after the Expiration Date (or the completion of Construction, whichever first occurs), Developer shall be liable to Owner for any actual costs incurred by Owner in removing or causing the removal of Developer Materials from the Owner Premises or in repairing and restoring any damage to the CMEA Easement Area and/or the Owner Premises caused by such removal, including, without limitation, reasonable attorneys' fees and disbursements. In no event shall any provision hereof or otherwise be construed as permitting Developer to hold over in occupancy of the CMEA Easement Area after expiration or termination of the term of the Adjacent Property Work. Notwithstanding the foregoing, it is understood and agreed that any underpinning and tie backs

shall be permitted to remain to the extent necessary for the continuing safety and structural integrity of the Owner Premises, which shall be maintained by Developer at its sole cost and expense. The provisions of this Section 8 shall survive the expiration or termination of this Agreement.

9. Covenants, Warranties and Agreements of Developer. Developer covenants, warrants and agrees, that at all times during the performance of the Construction and the Adjacent Property Work, at its sole cost and expense it shall:

(a) use the Easement and the CMEA Easement Area and perform the Adjacent Property Work (i) in a prompt, safe and efficient manner and so as to not unreasonably interfere with the Owner Premises and the use and enjoyment thereof by Owner and Owner's tenants and occupants, and (ii) in a manner consistent with good construction practice;

(b) take (and have Developer's Agents take) such precautions as may be reasonably necessary or appropriate to (i) prevent any damage to the Owner Premises and any buildings or structures located thereon and (ii) prevent injury to any persons on the Owner Premises;

(c) to the extent that Developer or Developer's Agents have entered upon the CMEA Easement Area, keep and maintain the CMEA Easement Area in good order, repair and condition, and not create a hazardous condition thereon or employ, use or cause the release of any hazardous materials therein (as used in this subparagraph (c), the term "hazardous materials" means any substance that is regulated as hazardous, toxic or dangerous to human health or the environment under any Applicable Law);

(d) other than as required in connection with the Adjacent Property Work, not make any improvements, additions, alterations or other changes to the CMEA Easement Area or the Owner Premises;

(e) not permit the accumulation of refuse, garbage or rubbish material arising from the performance of the Adjacent Property Work on the Owner Premises and Developer shall ensure that Developer's Agents institute procedures and safeguards to prevent such accumulation;

(f) not use the passenger elevators of the Owner Building for the transport of any Developer Materials from the lobby to the roof of the Owner Building; and

(g) promptly correct and repair, at Developer's sole cost and expense, any damage caused by Developer to the Owner Building or the Owner Premises in connection with the Construction or the Adjacent Property Work. Developer shall give Owner prompt notice of any such damage and, at Owner's reasonable request, promptly prepare plans and specifications for the repair of such damage, which plans and specifications shall be subject to Owner Engineer's reasonable review and approval. In the event that Developer fails to commence within thirty (30) days, and thereafter diligently prosecute to completion, the preparation of such plans and the correction or repair of such damage, Owner shall have, in addition to any other remedies it may have, at law, in equity, by statute or pursuant to this

Agreement, the right to correct or repair any such damage at Developer's sole cost and expense. If Owner is compelled or elects to expend any sum of money by reason of correcting and repairing any such damage as provided in this Section 9(g), Developer shall, upon demand, promptly reimburse Owner for all such sums within thirty (30) days after Developer's receipt of Owner's invoice for same. Notwithstanding the foregoing, Developer agrees that it shall, at its sole cost and expense, immediately repair any damage caused by Developer to the Owner Building or the Owner Premises in connection with the Construction or the Adjacent Property Work that (1) impairs or is imminently likely to impact the structural support of the Owner Building or causes or is imminently likely to cause bodily injury to persons or physical damage to the Owner Building or any property in, on, under, within, upon or about the Owner Building, (2) causes or is imminently likely to cause substantial economic loss to Owner or any occupant or tenant of Owner or exposes Owner to civil or criminal penalties, (3) causes or is imminently likely to cause loss of any utility, elevator, HVAC or other essential services to the Owner Building, or (4) causes or is imminently likely to cause interference with ingress to or egress from the Owner Building.

10. Cantilever Maintenance Work. Developer shall exercise the Easement herein granted for the performance from time to time of such Cantilever Maintenance work as is necessary to keep the Cantilever in sound, first-class condition. In using the Easement to enter the CMEA Easement Area for the performance of Cantilever Maintenance, Developer shall, in each case, comply with the provisions of Sections 3, 5, 6, 7, 8 and 9 of this Agreement, as modified by this Section 10:

(a) In the case of the Protective Plans required by Section 5(a), Owner may retain an engineer or architect reasonably familiar with the type of work proposed to be performed as Cantilever Maintenance and specified in the notice required by Section 3 of this Agreement and such professional shall be deemed to be the Owner Engineer for purposes of applying the other provisions of this Agreement. Developer shall reimburse Owner for the reasonable cost of the services of such Owner Engineer in each instance of Cantilever Maintenance, such reimbursement to be made within thirty (30) days after Developer's receipt of Owner's invoice for same;

(b) Unless the scope of work involved in the Cantilever Maintenance concerns the replacement or rebuilding of the Cantilever, Developer shall not be required to install a vibration monitor or meet periodically with Owner while the Construction Maintenance is performed, as required by Section 6(c), but the Owner Engineer shall have the right to monitor the Cantilever Maintenance, as provided in Section 6(f);

(c) Developer shall be obligated to vacate the CMEA Easement Area on or before the date specified in the notice first hereinabove required to be given pursuant to Section 3 of this Agreement of Developer's intention to perform Cantilever Maintenance work.

11. Hours of Work. Until the Cantilevered Portion superstructure is erected and enclosed, Developer may perform Construction and Adjacent Property Work during any hours permitted by Applicable Law provided, however, that Developer shall not perform such work on Mondays through Fridays between the hours of 6:00 p.m. and 7:00 a.m, or on Saturdays between

the hours of 6:00 p.m. and 9:00 a.m., or on Sundays. Cantilever Maintenance on the exterior of the Cantilevered Portion shall be performed between the hours of 8:00 a.m. and 6:00 p.m. on Mondays through Fridays only, unless otherwise required by emergency situations or the DOB.

12. Security. If at any time during which Developer is exercising its rights under this Agreement, Developer or Developer's Agents shall require access to the interior of the Owner Building, Developer and Developer's Agents shall exercise due care to ensure the safety and security of the tenants and occupants of the Owner Building and shall use only the public portions of the Owner Building, including the lobby, stairs, elevator, roof and yards thereof, for access to any part of the Adjacent Property Work or the Cantilever Maintenance. No easement or license is granted under this Agreement to enter any apartment or office within the Owner Building or any other space leased to a tenant or under the exclusive possession and control of an occupant having an occupancy agreement with Owner.

13. Vermin Control. Developer, at Developer's sole cost and expense, shall engage a reputable and experienced extermination company prior to commencement of the Construction (including any demolition), to perform preventive and corrective extermination on and around the Developer Premises and to perform follow-up services at least one time each week through the term of Construction on and around both the Owner Premises and the Developer Premises. In the case of any material Cantilever Maintenance involving substantial alteration, reconstruction or replacement of the Cantilever, the obligations of this Section 13 shall apply.

14. Information; Cooperation. Developer agrees to cooperate with Owner's request for information and plans in its possession and to provide promptly any such information and plans and disclose promptly any material facts of which it may become aware in its investigation of any matters relating to the Owner Premises, the Adjacent Property Work, the Construction and the Cantilever Maintenance. Owner agrees to promptly disclose any material facts of which it may become aware relating to the Owner Premises or the Adjacent Property Work to Developer, including, without limitation, any damage to the Owner Premises which Owner believes has been caused by the Construction, the Adjacent Property Work or the Cantilever Maintenance.

15. No Liens and Encumbrances. Developer shall have no power to do any act or to make any contract which may create or give rise to any lien, mortgage or other encumbrance on the Owner Premises. If any lien shall at any time be filed against the Cantilever Easement, the CMEA Easement Area or the Owner Premises by reason of any work, labor, services or materials done for, or supplied to, or claimed to have been done for, or supplied to, Developer or anyone holding the CMEA Easement Area through or under Developer, Developer shall cause the same to be discharged of record or adequately bonded (unless otherwise secured to the satisfaction of Owner) within thirty (30) days after the date Developer has received notice of the filing of such lien. If Developer shall fail to do so, then, Owner may, but shall not be obligated to, procure the discharge of the same either by paying the amount claimed to be due, by deposit in a court of competent jurisdiction or by bonding, and Owner may compel the prosecution of an action for the foreclosure of such lien by the lienor and pay the amount of the judgment, if any, in favor of the lienor with interest, costs and allowances. Any amount paid or deposited by Owner for any such purpose, and all other expenses of Owner, including reasonable attorney's fees and disbursements, shall be payable by Developer to Owner within ten (10) days of Owner's bill therefor, and shall be subject to the provisions of Section 20 hereof.

16. Representatives. Prior to Commencement of the Adjacent Property Work and Construction, Owner and Developer shall each designate in writing a representative (a "Representative") that shall be available in connection with any issues, including emergencies, related to the Adjacent Property Work or Construction. Each of Owner and Developer may change its respective Representative by providing notice to the other party in accordance with Section 21 hereof.

17. No Leasehold Interest, Easement or Agency Relationship Implied. No leasehold interest or other right, title or interest other than the Easement granted herein, shall be deemed to have been created by virtue of this Agreement.

18. Insurance. Throughout the performance of the Adjacent Property Work, Developer shall carry and maintain, at all times:

(a) commercial general liability insurance against claims for bodily injury, including personal injury or death, and property damage occurring upon, in or about the Owner Premises and the CMEA Easement Area, with minimum coverage of One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate coverage per single accident or disaster, together with umbrella liability insurance on a following form basis in the amount of either (i) Ten Million Dollars ($10,000,000), or (ii) if a tower crane is used to perform the Crane Work, Eighty Million Dollars ($80,000,000);

(b) statutory worker's compensation, including employers' liability and other required statutory forms of insurance, in statutory limits (but with respect to Developer, only to the extent Developer has any employees); and

(c) all such insurance required to be maintained by Developer shall name Owner and its mortgagee, if any, as additional insureds and shall be written with a company or companies reasonably satisfactory to Owner, having a policyholder rating of at least "A" and be assigned a financial size category of at least "Class V-III" as rated in the most recent edition of "Best's Key Rating Guide" for insurance companies, and authorized to engage in the business of insurance in New York State. Such insurance shall be primary, non-contributory, shall cover premises, operations and ongoing operations, and shall cover completed operations for a period of at least six (6) years following completion of the Construction. The policy may not include an exclusion for construction and/or work performed on a residential project or condominium development or an exclusion for claims brought by injured workers (i.e, action over claims). The policy shall include a waiver of subrogation and shall further provide that the same may not be canceled, terminated or modified unless the insurer gives Owner at least thirty (30) days' prior written notice thereof. Prior to commencing the Adjacent Property Work, Developer shall provide Owner with copies of such certificates of insurance, evidencing the foregoing insurance.

19. Default. If Developer shall default in the performance of any of its material obligations hereunder and such default shall continue for thirty (30) days after Owner gives Developer notice thereof (or such longer period as may be necessary to cure such default provided that Developer has commenced such cure within the aforesaid thirty (30) day period and is diligently prosecuting the same), Owner shall, in addition to any other remedies it may

have, at law, in equity, by statute or pursuant to this Agreement, have the right to (i) cure such default and Developer shall reimburse Owner for the documented third party costs it has incurred for such cure within five (5) business days after demand, plus interest thereon at the prime rate as established from time to time by Citibank, N.A. from such fifth (5th) business day after demand until the date of payment (provided nothing herein shall be deemed to grant Owner a license to enter upon the Developer Premises in connection with the exercise of such cure rights, except to the extent provided in Section 20(c) of this Agreement), or (ii) compel Developer's performance hereunder by an action for specific performance. Notwithstanding the foregoing, nothing contained herein shall require Developer to pursue the completion of the New Building, provided, however, that if, after commencement of any of the Adjacent Property Work, Developer thereafter ceases or interrupts construction activities on the Developer Premises for a period of nine (9) continuous months or more, or for any period that continues beyond the Expiration Date, Developer shall, at its sole cost and expense, remove any and all Developer Materials theretofore placed on the Owner Premises (and repair any and all damage to the Owner Premises caused by such removal) until such construction activities on the Developer Premises shall resume (provided such construction activities resume prior to the Expiration Date) and, in the event of its failure to do so, shall pay the damages provided in Section 8 of this Agreement. The provisions of this Section 19 shall survive the expiration or termination of this Agreement.

20. Indemnity.

(a) Developer hereby assumes all risk of its use of the CMEA Easement Area and the exercise of its rights under this Agreement and neither Owner nor its principals, beneficiaries, members, shareholders, directors, officers, agents, employees, tenants, and its successors and assigns shall be liable for any damage to the Developer Premises, Developer, Developer's Agents or any person or entity acting for or on behalf of Developer, nor for any injury or damage to any person, property, entity or owner resulting from any cause of whatever nature relating to the exercise of the rights conferred by this Agreement, unless caused by or due to the gross negligence or willful misconduct of Owner.

(b) Developer further agrees to indemnify, defend and save Owner, and Owner's principals, beneficiaries, members, shareholders, directors, officers, agents, employees, tenants, and its successors and assigns harmless from and against any and all claims, actions, losses, liabilities, damages, judgments, costs and expenses (including, without limitation, reasonable attorneys', engineers' and other professionals' fees incurred by Owner)("Losses") arising out of or in connection with (i) the use, exercise or enjoyment by Developer (and/or Developer's Agents and Developer's invitees) of the Easement and the CMEA Easement Area, (ii) the performance of the Adjacent Property Work, the Construction or the Cantilever Maintenance, including, without limitation, any violations affecting the Owner Premises resulting therefrom, (iii) any personal injury, including death, sustained by any person or persons and/or any damage to property, including any damage to the Owner Premises and the loss of use thereof, resulting from the Adjacent Property Work, the Construction or the Cantilever Maintenance, (iv) any breach by Developer (and/or Developer's Agents and Developer's invitees) of any of the terms, covenants, conditions and agreements contained in this Agreement; and (v) the gross negligence or intentional misconduct of Developer, its contractors, subcontractors, architects, engineers, agents and employees.

(c) The indemnity provided in paragraph (b) of this Section 20 shall extend to any Losses incurred by Owner as the result of violations of Applicable Law by Developer during the performance of any Adjacent Property Work or Cantilever Maintenance. In addition, and notwithstanding the provisions of Section 19 of this Agreement, Owner shall have the same self-help rights with respect to the cure of a violation caused by Developer on Owner's Premises as are available to Owner for the cure of certain violations of Applicable Law under Section 9 of the ZLDEA.

(d) Nothing contained in this Section 20 shall operate as a waiver of any claims either Owner or Developer may have against the other pursuant to the ZLDEA.

(e) The provisions of this Section 20 shall survive the expiration or termination of this Agreement.

21. Notices. All notices, demands or requests made pursuant to, under or by virtue of this Agreement must be in writing and sent to the party to which the notice is being made by nationally recognized overnight courier or delivered by hand with receipt acknowledged in writing as follows:

To Owner:	Centurian Realty, LLC 450 Seventh Avenue, 45th Floor New York, New York 10123 Attention: Benjamin Braka
with a copy to:	Seymour I. Hurwitz, Esq. 19 West 44th Street, Suite 1507 New York, New York 10036
To Developer:	261 Owner LLC c/o Naftali Group LLC 1700 Broadway, 16th Floor New York, New York 10019 Attention: Victor Sigoura
with a copy to:	Greenberg Traurig, LLP 200 Park Avenue, 15th Floor New York, New York 10166 Attention: Deirdre A. Carson, Esq.

or to such other address or addressee as either party may designate by notice given pursuant to this Section 21.

All Notices (i) shall be deemed given upon the date of receipt of such Notice or refusal to accept delivery of such Notice and (ii) may be given either by a party hereto or by such party's attorney set forth above.

22. The Easement and the other covenants, agreements and conditions contained in this Agreement: (a) shall run with the lands and buildings affected and the parties' respective interests therein; (b) shall inure to the benefit of and be binding upon every party having any right, title or interest therein or any part thereof and the heirs, distributees, successors and assigns of any such party, and any mortgagee of such party which may become a "mortgagee-in-possession," a developer who acquires title to the Developer Premises or the Owner Premises through a foreclosure proceeding or a "deed in lieu of foreclosure" or their respective heirs, distributes, successors and assigns; (c) shall, to the extent rights hereunder are assigned to the holder of any mortgage encumbering any of the properties affected by this Agreement or any interest therein, be enforceable by any such assignee as provided under any such mortgage or documents ancillary thereto; and (d) shall bind any third party who shall acquire any interest whatsoever in the Owner Premises or the Developer Premises, whether from a party hereto or its heirs, legal representatives, successors or assigns and such third party's interest shall be subordinate to the provisions of this Agreement as if such third party had been a signatory to this Agreement.

23. Captions. The captions in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit or describe the scope of this Agreement or the intent of any provisions hereof.

24. Successors and Assigns. The terms, covenants and conditions contained in this Agreement shall bind and inure to the benefit of Developer and Owner and their respective permitted successors and assigns.

25. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of law.

26. Jurisdiction. Developer and Owner each acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement, and all actions to enforce this Agreement, shall be adjudicated in the state courts of New York or the federal courts sitting in the City of New York, and Developer hereby expressly and irrevocably submits to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement and hereby irrevocably designates the Secretary of State of New York as its agent for service of process in any such suit, action or proceeding.

27. Invalidity. If any provision of this Agreement or the application thereof to any person, entity or circumstance shall, for any reason and to any extent, by invalid or unenforceable, the remainder of this Agreement and the application of that provision to other persons, entities or circumstances shall not be affected but rather shall be enforced to the fullest extent permitted by law.

28. Presumptions. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party drafting a document. It shall be construed neither for nor against any person or entity, but shall be given a reasonable interpretation in accordance with the plain meaning of its terms and the intent of the parties.

29. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

30. Entire Agreement. This Agreement constitutes the entire agreement between Developer and Owner with respect to the Easement granted hereunder, and may be modified only by a written instrument signed by a duly authorized representative of each party.

31. Recording. This Agreement shall be recorded against each of Owner's Land and Developer's Land.

32. Assignment. Developer shall not have the right to assign or transfer this Agreement without the consent of Owner except to (i) Developer's lenders as collateral security in connection with a financing transaction, (ii) an affiliate of Developer and (iii) any subsequent owner of the Developer Premises.

33. Inconsistencies. In the event of any actual inconsistencies between the terms of this Agreement and the Building Code, the Building Code shall control, except that, where this Agreement allows to Owner a greater period of time to take an action than is prescribed by the Building Code, the terms of this Agreement shall control.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has executed the above as of this ___ day of December, 2012.

CENTURIAN 245 LLC,
a Delaware limited liability company

By: _____
Name: Benjamin Braka
Title: Vice President

[signatures continue on following page]

STATE OF NEW YORK }
} **ss.:**
COUNTY OF NEW YORK}

On the 19th day of December in the year 2012 before me, the undersigned, personally appeared Benjamin Braka personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of Individual
Taking Acknowledgement

JAMES DEVOE
Notary Public, State of New York
No. 01DE6254382
Qualified in New York County
Commission Expires Jan. 17, 2016

[Notary Acknowledgment to Construction Easement Agreement]

245 OWNER LLC,
a Delaware limited liability company

By: _____
Name:
Title:

[signatures continue on following page]

STATE OF NEW YORK }
} **ss.:**
COUNTY OF NEW YORK}

On the 19th day of December in the year 2012 before me, the undersigned, personally appeared Michael Nathan personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of Individual
Taking Acknowledgement

JAMES DEVOE
Notary Public, State of New York
No. 01DE6254382
Qualified in New York County
Commission Expires Jan. 17, 2016

SEAL

[Notary Acknowledgment to Construction Easement Agreement]

245 PARTNERS LLC,
a Delaware limited liability company

By: _____
Name:
Title:

[signatures continue on following page]

STATE OF NEW YORK }
} **ss.:**
COUNTY OF NEW YORK}

On the 19th day of December in the year 2012 before me, the undersigned, personally appeared Vicken Sigourian personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of Individual
Taking Acknowledgement

JAMES DEVOE
Notary Public, State of New York
No. 01DE6254382
Qualified in New York County
Commission Expires Jan. 17, 2016

SEAL

[Notary Acknowledgment to Construction Easement Agreement]

245 WEST 25TH STREET BUILDING OWNER LLC,
a Delaware limited liability company

By: _____
Name: Bradley R. Settlemoir
Title: Authorized Signatory

[Signature page to Construction Easement Agreement – 245 West 25th Street]

STATE OF NEW YORK }
} ss.:
COUNTY OF NEW YORK }

On the 19th day of December in the year 2012 before me, the undersigned, personally appeared Sandra A. Sutherman personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of Individual
Taking Acknowledgement

JAMES DEVOE
Notary Public, State of New York
No. 01DE6254382
Qualified in New York County
Commission Expires Jan. 17, 2016

[Notary Acknowledgment to Construction Easement Agreement]

DEVELOPER 1:

261 OWNER LLC,
a Delaware limited liability company

By: _____
Name:
Title:

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 19 day of Dec in the year 2012 before me, the undersigned, personally appeared Michael Nacchio, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

SEAL

Exhibit A

Description of Owner Land

Block 775, Lot 9

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, County and State of New York, bounded and described as follows:-

BEGINNING at a point on the northerly side of West 25th Street distant 193 feet 9 inches easterly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with 8th Avenue, 98 feet 9 inches to the center line of the block between West 25th and West 26th Streets;

RUNNING THENCE easterly along said center line of the block, 151 feet 3 inches to a point distant 455 feet westerly from the westerly side of Seventh Avenue;

RUNNING THENCE southerly parallel with Seventh Avenue, 98 feet 9 inches the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, 151 feet 3 inches to the point or place of **BEGINNING.**

Exhibit B

Description of Developer Land

Block 775 Lot 8

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street, distant 168 feet 11 inches (deed), 168 feet 8 ½ inches (actual and tax map), easterly from the corner formed by the intersection of the easterly side of 8th Avenue with the northerly side of West 25th Street;

RUNNING THENCE northerly along a line forming an interior angle with the northerly side of West 25th Street of 90 degrees 00 minutes 00 seconds (deed), 90 degrees 56 minutes 00 seconds (actual), a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map) to the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along a line forming an interior angle with the last mentioned course of 89 degrees 04 minutes 00 seconds, which line is also the center line of the block between West 25th Street and West 26th Street a distance of 24 feet 10 inches (deed), 26 feet 7 ¾ inches (actual) to a point, which point is 193 feet 9 inches easterly from the easterly side of 8th Avenue, when measured at right angles thereto;

THENCE southerly along a line forming an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course a distance of 98 feet 9 inches to point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, which northerly side of West 25th Street forms an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course, a distance of 24 feet 10 inches (deed), 25 feet 0 ½ inches (actual and tax map), to the point or place of BEGINNING.

Block 775, Lot 6

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 119 feet 2 ½ inches westerly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of Eighth Avenue;

RUNNING THENCE northerly along a line forming an interior angle of 91 degrees 03 minutes 10 seconds with the northerly side of West 25th Street a distance of 98 feet 9 1/8 inches to a point on the center line of the block between West 25th Street and West 26th Street, which point is distant 117 feet 4 ¾ inches easterly from the easterly side of Eighth Avenue, when measured along a line which forms an exterior angle of 91 degrees 03 minutes 10 seconds with the last mentioned course;

THENCE easterly along said center line of the block between West 25th Street and West 26th Street, which center line forms an interior angle of 88 degrees 56 minutes 50 seconds with the last mentioned course a distance of 49 feet 8 ½ inches to a point;

THENCE southerly along a line forming an interior angle of 90 degrees 56 minutes 00 seconds with the center line of the block between West 25th Street and West 26th Street a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map),to a point on the northerly side of West 25th Street;

THENCE westerly along northerly side of West 25th Street, which northerly side forms an interior angle of 89 degrees 04 minutes 00 seconds with the last mentioned course a distance of 49 feet 8 inches (deed), 49 feet 6 inches (actual and tax map), to the point or place of BEGINNING.

Exhibit C

List of Arbitrator Engineers

Thornton Thomasetti
Meuser Rutledge
DeSimone Structural Engineering
Rand Engineering
Goldstein & Associates

EXHIBIT "E"

Parties in Interest Certification

(follows immediately

N.B. # _____
or
ALT. # _____

EXHIBIT "II"

CERTIFICATION PURSUANT TO ZONING LOT
SUBDIVISION D OF SECTION 12-10
OF THE ZONING RESOLUTION OF DECEMBER 15, 1961
OF THE CITY OF NEW YORK AS AMENDED
EFFECTIVE AUGUST 18, 1977

ROYAL ABSTRACT OF NEW YORK LLC, an abstract company licensed to do business in the State of New York and having its principal office at 500 Fifth Avenue, New York, New York, hereby certifies that as to the land hereafter described being a tract of land, either unsubdivided or consisting of two or more lots of record, contiguous for a minimum of ten linear feet, located within a single block, that all parties in interest consisting of a party in interest as defined in Section 12-10, subdivision (d) of the Zoning Resolution of the City of New York, effective December 15, 1961, as amended, are the following:

NAME AND ADDRESS	NATURE OF INTEREST
261 Owner LLC	Fee Owner of Block 775 Lots 6 and 8
Israel Discount Bank of New York	Mortgagee of Block 775 Lots 6 and 8
Centurian 245 LLC	Fee Owner of Block 775 Lot 9
245 Owner LLC	Fee Owner of Block 775 Lot 9
245 Partners LLC	Fee Owner of Block 775 Lot 9
245 West 25th Street Building Owner LLC	Fee Owner of Block 775 Lot 9
Manufacturers and Traders Trust Company	Mortgagee of Block 775 Lot 9

The subject tract of land with respect to which the foregoing parties are the parties in interest as aforesaid are known as Tax Lots 6, 8 and 9 in Block 775 as shown on the tax map of the City of New York, County of New York, and are more particularly described as set forth below.

As to Block 775 Lot 6

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 119 feet 2 ½ inches westerly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of Eighth Avenue;

RUNNING THENCE northerly along a line forming an interior angle of 91 degrees 03 minutes 10 seconds with the northerly side of West 25th Street a distance of 98 feet 9 1/8 inches to a point on the center line of the block between West 25th Street and West 26th Street, which point is distant 117 feet 4 ¾ inches easterly from the easterly side of Eighth Avenue, when measured along a line which forms an exterior angle of 91 degrees 03 minutes 10 seconds with the last mentioned course;

THENCE easterly along said center line of the block between West 25th Street and West 26th Street, which center line forms an interior angle of 88 degrees 56 minutes 50 seconds with the last mentioned course a distance of 49 feet 8 ½ inches to a point;

THENCE southerly along a line forming an interior angle of 90 degrees 56 minutes 00 seconds with the center line of the block between West 25th Street and West 26th Street a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map),to a point on the northerly side of West 25th Street;

THENCE westerly along northerly side of West 25th Street, which northerly side forms an interior angle of 89 degrees 04 minutes 00 seconds with the last mentioned course a distance of 49 feet 8 inches (deed), 49 feet 6 inches (actual and tax map), to the point or place of BEGINNING.

For Information Only: Said premises are known as 263-265 West 25th Street, New York, NY and designated as Block 775 Lot 6 as shown on the Tax Map of the City of New York, County of New York.

As to Block 775 Lot 8

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street, distant 168 feet 11 inches (deed), 168 feet 8 ½ inches (actual and tax map), easterly from the corner formed by the intersection of the easterly side of 8th Avenue with the northerly side of West 25th Street;

RUNNING THENCE northerly along a line forming an interior angle with the northerly side of West 25th Street of 90 degrees 00 minutes 00 seconds (deed), 90 degrees 56 minutes 00 seconds (actual), a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map) to the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along a line forming an interior angle with the last mentioned course of 89 degrees 04 minutes 00 seconds, which line is also the center line of the block between West 25th Street and West 26th Street a distance of 24 feet 10 inches (deed), 26 feet 7 ¾ inches (actual) to a point, which point is 193 feet 9 inches easterly from the easterly side of 8th Avenue, when measured at right angles thereto;

THENCE southerly along a line forming an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course a distance of 98 feet 9 inches to point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, which northerly side of West 25th Street forms an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course, a distance of 24 feet 10 inches (deed), 25 feet 0 ½ inches (actual and tax map), to the point or place of BEGINNING.

For Information Only: Said premises are known as 261 West 25th Street, New York, NY and designated as Block 775 Lot 8 as shown on the Tax Map of the City of New York, County of New York.

As to Block 775 Lot 9

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, County and State of New York, bounded and described as follows:-

BEGINNING at a point on the northerly side of West 25th Street distant 193 feet 9 inches easterly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with 8th Avenue, 98 feet 9 inches to the center line of the block between West 25th and West 26th Streets;

RUNNING THENCE easterly along said center line of the block, 151 feet 3 inches to a point distant 455 feet westerly from the westerly side of Seventh Avenue;

RUNNING THENCE southerly parallel with Seventh Avenue, 98 feet 9 inches the northerly side of West 25th Street,

THENCE westerly along the northerly side of West 25th Street, 151 feet 3 inches to the point or place of **BEGINNING.**

For information only: Said premises are known as 245-259 West 25th Street, New York, NY, and designated as Block 775 Lot 9 as shown on the Tax Map of the City of New York, County of New York.

That the said premises are known as and by the street address 245-265 West 25th Street, New York, NY as shown by the following:

DIAGRAM

NOTE: A Zoning Lot may or may not coincide with a lot shown of the Official Tax Map of the City of New York, or on any recorded subdivision plot or deed. A Zoning Lot may be subdivided into two or more zoning lots, provided all the resulting Zoning Lots and all the buildings thereon shall comply with the applicable provisions of the Zoning Lot Resolution.

THIS CERTIFICATE IS MADE FOR AND ACCEPTED BY THE APPLICANT UPON THE EXPRESS UNDERSTANDING THAT LIABILITY HEREUNDER IS LIMITED TO ONE THOUSAND ($1,000.00) DOLLARS.

Certified _____

ROYAL ABSTRACT OF NEW YORK LLC

_____

Harry Erreich, Vice President

STATE OF NEW YORK)
ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, 2012, before me, personally appeared **Harry Erreich,** personally known to me or proved to me on the basis of satisfactory evidence to the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public - State of New York

N.B. # _____
or
ALT. # _____

EXHIBIT III

ZONING LOT DESCRIPTION AND OWNERSHIP STATEMENT BY
BUILDING DEPARTMENT PERMIT APPLICANT
AND TO BE RECORDED IN THE COUNTY CLERKS OR REGISTER'S OFFICE

_____, an applicant(s) for present and future permits pursuant to the Zoning Resolution of the City of New York, effective as of December 15, 1961, and as subsequently amended states that the zoning lot which the aforementioned permit or permits pertain are shown on the Tax Map of the City of New York, County of New York, as Block 775 Lots 6, 8 and 9 as shown on the Tax Map of the City of New York, New York County, and is more particularly described as set forth below:

As to Block 775 Lot 6

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 119 feet 2 ½ inches westerly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of Eighth Avenue;

RUNNING THENCE northerly along a line forming an interior angle of 91 degrees 03 minutes 10 seconds with the northerly side of West 25th Street a distance of 98 feet 9 1/8 inches to a point on the center line of the block between West 25th Street and West 26th Street, which point is distant 117 feet 4 ¾ inches easterly from the easterly side of Eighth Avenue, when measured along a line which forms an exterior angle of 91 degrees 03 minutes 10 seconds with the last mentioned course;

THENCE easterly along said center line of the block between West 25th Street and West 26th Street, which center line forms an interior angle of 88 degrees 56 minutes 50 seconds with the last mentioned course a distance of 49 feet 8 ½ inches to a point;

THENCE southerly along a line forming an interior angle of 90 degrees 56 minutes 00 seconds with the center line of the block between West 25th Street and West 26th Street a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map),to a point on the northerly side of West 25th Street;

THENCE westerly along northerly side of West 25th Street, which northerly side forms an interior angle of 89 degrees 04 minutes 00 seconds with the last mentioned course a distance of 49 feet 8 inches (deed), 49 feet 6 inches (actual and tax map), to the point or place of BEGINNING.

For Information Only: Said premises are known as 263-265 West 25th Street, New York, NY and designated as Block 775 Lot 6 as shown on the Tax Map of the City of New York, County of New York.

As to Block 775 Lot 8

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street, distant 168 feet 11 inches (deed), 168 feet 8 ½ inches (actual and tax map), easterly from the corner formed by the intersection of the easterly side of 8th Avenue with the northerly side of West 25th Street;

RUNNING THENCE northerly along a line forming an interior angle with the northerly side of West 25th Street of 90 degrees 00 minutes 00 seconds (deed), 90 degrees 56 minutes 00 seconds (actual), a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map) to the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along a line forming an interior angle with the last mentioned course of 89 degrees 04 minutes 00 seconds, which line is also the center line of the block between West 25th Street and West 26th Street a distance of 24 feet 10 inches (deed), 26 feet 7 ¾ inches (actual) to a point, which point is 193 feet 9 inches easterly from the easterly side of 8th Avenue, when measured at right angles thereto;

THENCE southerly along a line forming an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course a distance of 98 feet 9 inches to point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, which northerly side of West 25th Street forms an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course, a distance of 24 feet 10 inches (deed), 25 feet 0 ½ inches (actual and tax map), to the point or place of BEGINNING.

For Information Only: Said premises are known as 261 West 25th Street, New York, NY and designated as Block 775 Lot 8 as shown on the Tax Map of the City of New York, County of New York.

As to Block 775 Lot 9

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, County and State of New York, bounded and described as follows:-

BEGINNING at a point on the northerly side of West 25th Street distant 193 feet 9 inches easterly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with 8th Avenue, 98 feet 9 inches to the center line of the block between West 25th and West 26th Streets;

RUNNING THENCE easterly along said center line of the block, 151 feet 3 inches to a point distant 455 feet westerly from the westerly side of Seventh Avenue;

RUNNING THENCE southerly parallel with Seventh Avenue, 98 feet 9 inches the northerly side of West 25th Street,

THENCE westerly along the northerly side of West 25th Street, 151 feet 3 inches to the point or place of **BEGINNING.**

For information only: Said premises are known as 245-259 West 25th Street, New York, NY, and designated Section 3 Block 775 Lot 9 as shown on the Tax Map of the City of New York, County of New York.

That the said premises are known as and by the street address 245-265 West 25th Street, New York, NY as shown by the following:

DIAGRAM

NOTE: A Zoning Lot may or may not coincide with a lot shown of the Official Tax Map of the City of New York, or on any recorded subdivision plot or deed. A Zoning Lot may be subdivided into two or more zoning lots, provided all the resulting Zoning Lots and all the buildings thereon shall comply with the applicable provisions of the Zoning Lot Resolution.

The above described zoning lot is presently owned by:

BLOCK	LOT	NAMES	ADDRESS
Block 775	Lots 6 and 8	261 Owner LLC	261-265 West 25th Street, NY, NY
Block 775	Lot 9	Centurian 245 LLC, 245 Owner LLC 245 Partners LLC and 245 West 25th Street Building Owner LLC	245-259 West 25th Street, NY, NY

IN WITNESS THEREOF the applicant(s) for permit has executed the instrument this _____ day of _____, 2012.

_____

By:

STATE OF NEW YORK)
ss.:
COUNTY OF _____)

On the _____ day of _____, 2012, before me, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____

Notary Public - State of New York

EXHIBIT "F"

Declaration of Zoning Lot Restrictions

(follows immediately)

DECLARATION OF ZONING LOT RESTRICTIONS

261 OWNER LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**Developer**") and 245 OWNER LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 1**"), 245 PARTNERS LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 2**"), CENTURIAN 245 LLC, a Delaware limited liability company having an address at 450 Seventh Avenue – 45th Floor, New York, New York 10123 ("**TIC Owner 3**") and 245 WEST 25th STREET BUILDING OWNER LLC, 9 West 57th Street, New York New York 10019 ("**TIC Owner 4**")(TIC Owner 1, TIC Owner 2, TIC Owner 3 and TIC Owner 4, as Tenants-in-Common; collectively, the "**Owner**" and each, individually, a "**TIC Owner**"), (Developer and Owner, collectively, the "**Declarant Parties**"), (constituting the "parties in interest" as defined in Section 12-10 of the Zoning Resolution of the City of New York, effective December 15, 1961, as amended from time to time [the "**Zoning Resolution**"], as certified in a Certification made as of December __, 2012 by Royal Abstract of New York, a copy of which is attached as Exhibit 1 hereto [excepting those parties that have waived in writing their respective rights to join herein, if any]), with respect to the land located in Block 775, Tax Lots 6, 8 and 9 of the Tax Map of the City of New York for the County of New York, for good and valuable consideration and with intent to bind all persons in whom such land is or shall hereafter be vested, do hereby declare that the tracts of land which are known as and by the street addresses (i) 261 West 25th Street, New York, New York, more particularly described in Schedule A hereto (Tax Lot 8) , (ii) 263-265 West 25th Street, New York, New York, more particularly described in Schedule B hereof (Tax Lot 6); and (iii) 245 West 25th Street, New York, New York, more particularly described in Schedule C hereof (Tax Lot 9)("**Owner's Parcel**"), such lots being contiguous for more than ten (10) linear feet along a common boundary, are to be treated as one zoning lot (the "**Combined Zoning Lot**") for the purposes of and in accordance with the provisions of the Zoning Resolution.

Reference is hereby made to a Zoning Lot Development Agreement (the "**ZLDA**") dated of even date herewith regarding the Property referenced herein, made by the Declarant Parties and intended to be recorded in the Office of the City Register, simultaneously with the recording of this instrument, which ZLDA sets forth the rights and obligations of each of the Declarant Parties regarding the Combined Zoning Lot.

In respect of the foregoing, the Declarant Parties hereby agree as follows:

1. **Breach Shall Not Affect**. No breach by the Declarant Parties of this Declaration or of any agreement ancillary hereto, including the ZLDA, shall affect the treatment of the interests in the Combined Zoning Lot covered by this Declaration as one zoning lot, and such interests in the Property shall continue to be treated as one zoning lot.

2. **Modifications to Combined Zoning Lot**.

2.1 Developer shall have the right, from time to time, (a) to add one or more additional parcels of land to the Combined Zoning Lot, and/or (b) to sub-divide the Combined

Zoning Lot; provided, that, in each case, the addition or subdivision complies with all local laws and ordinances (including the requirements set forth in the definition of "zoning lot" in Section 12-10 of the Zoning Resolution) and with the ZLDA (any such addition or subdivision being herein called a "**Permitted Zoning Lot Modification**").

2.2 In furtherance of the foregoing, with respect to each Permitted Zoning Lot Modification, the following provisions shall apply:

2.2.1 Developer shall be responsible to prepare, at its expense, all the documentation required in connection therewith, including, without limitation, any new declaration (or, as applicable, an amendment, modification or restatement of this Declaration) (all such documentation being herein called the "**Zoning Lot Modification Documents**").

2.2.2 Owner (for itself, and its successors) hereby (i) consents to any Permitted Zoning Lot Modification, and (ii) waives its right to join in any Zoning Lot Modification Documents relating to the same. THE FOREGOING CONSENT AND WAIVER IS INTENDED TO BE SELF-OPERATIVE, IRREVOCABLE AND OF INDEFINITE DURATION. In addition, and without limiting the foregoing, if, and to the extent that, Developer shall so request, Owner, within thirty (30) days after its receipt of such request, shall execute and deliver any applicable Zoning Lot Modification Documents relating to a Permitted Zoning Lot Modification (or execute an instrument confirming the consent and waiver herein-above set forth).

2.2.3 Owner, on behalf of any mortgagee or other person that shall hereafter become a "party in interest" as to the Owner's Parcel (each, a "**Future Interest Holder**"), and with the intent to bind each such Future Interest Holder, hereby (i) consents to any Permitted Zoning Lot Modification, (ii) waives such Future Interest Holder's right to join in any Zoning Lot Modification Documents relating to a Permitted Zoning Lot Modification, and (iii) agrees that such Future Interest Holder's interest in the Non-Modifying Party's Land shall be subject and subordinate to such Zoning Lot Modification Documents. THE FOREGOING CONSENT, WAIVER AND SUBORDINATION IS INTENDED TO BE SELF-OPERATIVE, IRREVOCABLE AND OF UNLIMITED DURATION. In addition, and without limiting the foregoing, Owner agrees that it shall use commercially reasonable efforts to have any Future Interest Holder execute and acknowledge a consent, waiver and subordination form (a "Waiver") and will either record or cause the recording of such Waiver or shall deliver the original executed Waiver to Developer for recording within five (5) days after execution.

3. **Covenant Running with the Land**. This Declaration is a covenant running with the lands covered by this Declaration and shall bind and inure to the benefit of the heirs, executors, administrators, successors and assigns of the declarants herein and every party now or hereafter acquiring any right, title or interest in said lands or in any part thereof.

4. **Counterparts**. This Declaration may be executed in one or more counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned has executed the above as of this ___ day of December, 2012.

CENTURIAN 245 LLC,
a Delaware limited liability company

By: _____
Name: Benjamin Braka
Title: Vice President

[signatures continue on following page]

STATE OF NEW YORK }
} **ss.:**
COUNTY OF NEW YORK}

On the 19 day of Dec. in the year 2012 before me, the undersigned, personally appeared Benjamin Brewer personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of Individual
Taking Acknowledgement

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

SEAL

[Notary Acknowledgment to Declaration of Zoning Lot – 245 West 25th Street]

245 OWNER LLC,
a Delaware limited liability company

By: _____
Name:
Title:

[signatures continue on following page]

STATE OF NEW YORK }
} **ss.:**
COUNTY OF NEW YORK}

On the 19 day of Dec. in the year 2014 before me, the undersigned, personally appeared Michael Naftali personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of Individual
Taking Acknowledgement

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

SEAL

[Notary Acknowledgment to Declaration of Zoning Lot – 245 West 25th Street]

245 PARTNERS LLC,
a Delaware limited liability company

By: _____
Name:
Title:

[signatures continue on following page]

STATE OF NEW YORK }
} ss.:
COUNTY OF NEW YORK }

On the 19 day of Dec. in the year 2014 before me, the undersigned, personally appeared Victor Sigova personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature and Office of Individual
Taking Acknowledgement

ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

[Notary Acknowledgment to Declaration of Zoning Lot – 245 West 25th Street]

245 WEST 25TH STREET BUILDING OWNER LLC,
a Delaware limited liability company

By: _____
Name: Bradley A. Settlemoir
Title: Authorized Signatory

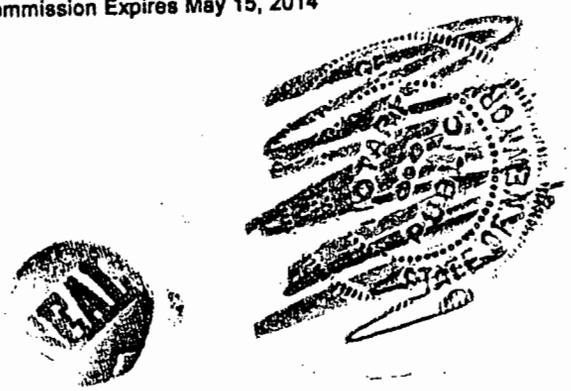
[Signature page to Declaration of Zoning Lot – 245 West 25th Street]

STATE OF NEW YORK }
} ss.:
COUNTY OF NEW YORK}

On the 19 day of December in the year 2012 before me, the undersigned, personally appeared Bradley A Settleman personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

Emily S. Wallace
Signature and Office of Individual
Taking Acknowledgement

EMILY S WALLACE
Notary Public, State of New York
No. 01WA6146103
Qualified in New York County
Commission Expires May 15, 2014



[Notary Acknowledgment to Declaration of Zoning Lot – 245 West 25th Street]

DEVELOPER 1:

261 OWNER LLC,
a Delaware limited liability company

By: _____
Name:
Title:

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 19 day of Dec in the year 2012 before me, the undersigned, personally appeared Michael Natoli, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

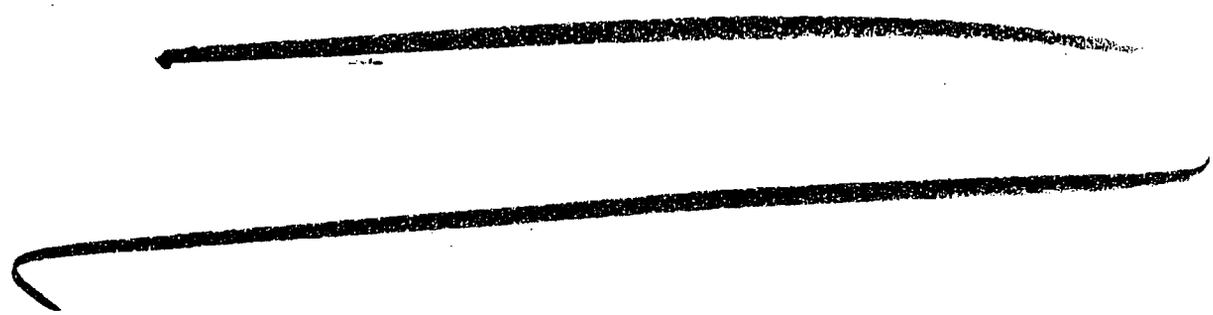
ROBERT P. SCHROEDER
Notary Public, State of New York
No. 01SC4803179
Qualified in New York County
Comission Expires 7-31-14

SEAL

[Signature page to Declaration of Zoning Lot]

Exhibit 1 (To Declaration)
Parties in Interest Search

[follows immediately after]



Schedule A (To Declaration)

Description of Tax Lot 8

Block 775 Lot 8

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street, distant 168 feet 11 inches (deed), 168 feet 8 ½ inches (actual and tax map), easterly from the corner formed by the intersection of the easterly side of 8th Avenue with the northerly side of West 25th Street;

RUNNING THENCE northerly along a line forming an interior angle with the northerly side of West 25th Street of 90 degrees 00 minutes 00 seconds (deed), 90 degrees 56 minutes 00 seconds (actual), a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map) to the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along a line forming an interior angle with the last mentioned course of 89 degrees 04 minutes 00 seconds, which line is also the center line of the block between West 25th Street and West 26th Street a distance of 24 feet 10 inches (deed), 26 feet 7 ¾ inches (actual) to a point, which point is 193 feet 9 inches easterly from the easterly side of 8th Avenue, when measured at right angles thereto;

THENCE southerly along a line forming an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course a distance of 98 feet 9 inches to point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, which northerly side of West 25th Street forms an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course, a distance of 24 feet 10 inches (deed), 25 feet 0 ½ inches (actual and tax map), to the point or place of BEGINNING.

Schedule B

Description of Tax Lot 6

Block 775, Lot 6

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 119 feet 2 ½ inches westerly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of Eighth Avenue;

RUNNING THENCE northerly along a line forming an interior angle of 91 degrees 03 minutes 10 seconds with the northerly side of West 25th Street a distance of 98 feet 9 1/8 inches to a point on the center line of the block between West 25th Street and West 26th Street, which point is distant 117 feet 4 ¾ inches easterly from the easterly side of Eighth Avenue, when measured along a line which forms an exterior angle of 91 degrees 03 minutes 10 seconds with the last mentioned course;

THENCE easterly along said center line of the block between West 25th Street and West 26th Street, which center line forms an interior angle of 88 degrees 56 minutes 50 seconds with the last mentioned course a distance of 49 feet 8 ½ inches to a point;

THENCE southerly along a line forming an interior angle of 90 degrees 56 minutes 00 seconds with the center line of the block between West 25th Street and West 26th Street a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map),to a point on the northerly side of West 25th Street;

THENCE westerly along northerly side of West 25th Street, which northerly side forms an interior angle of 89 degrees 04 minutes 00 seconds with the last mentioned course a distance of 49 feet 8 inches (deed), 49 feet 6 inches (actual and tax map), to the point or place of BEGINNING.

Schedule C

Description of Owner Parcel

Block 775, Lot 9

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, County and State of New York, bounded and described as follows:-

BEGINNING at a point on the northerly side of West 25th Street distant 193 feet 9 inches easterly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with 8th Avenue, 98 feet 9 inches to the center line of the block between West 25th and West 26th Streets;

RUNNING THENCE easterly along said center line of the block, 151 feet 3 inches to a point distant 455 feet westerly from the westerly side of Seventh Avenue;

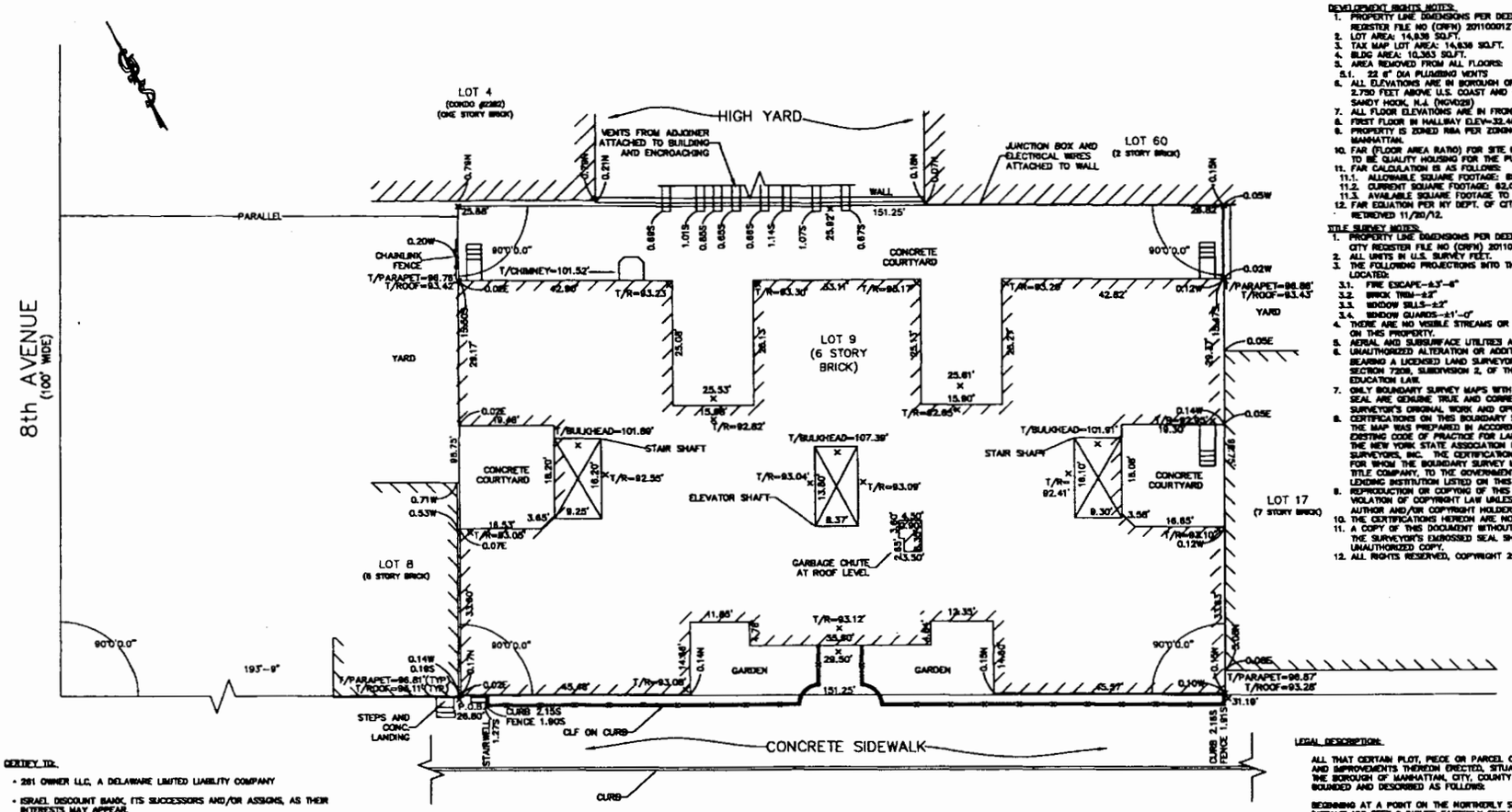
RUNNING THENCE southerly parallel with Seventh Avenue, 98 feet 9 inches the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, 151 feet 3 inches to the point or place of **BEGINNING.**

EXHIBIT "G"

Floor Area Survey

(follows immediately)



DEVELOPMENT RIGHTS NOTES:

1. PROPERTY LINE DIMENSIONS PER DEED FILED MARCH 1st, 2011 CITY REGISTER FILE NO (CRFN) 2011000127612.
2. LOT AREA: 14,838 SQ.FT.
3. TAX MAP LOT AREA: 14,838 SQ.FT.
4. BLDG AREA: 10,363 SQ.FT.
5. AREA REMOVED FROM ALL FLOORS:
   - 5.1. 22 6" DIA PLUMBING VENTS
6. ALL ELEVATIONS ARE IN BOROUGH OF MANHATTAN DATUM, WHICH IS 2.730 FEET ABOVE U.S. COAST AND GEODETIC SURVEY DATUM, SANDY HOOK, N.J. (NGVD29)
7. ALL FLOOR ELEVATIONS ARE IN FRONT OF ELEVATOR DOOR
8. FIRST FLOOR IN HALLWAY ELEV=32.45'
9. PROPERTY IS ZONED R8A PER ZONING MAP 8d, BORO OF MANHATTAN.
10. FAR (FLOOR AREA RATIO) FOR SITE IS 8.02 AND SITE IS CONSIDERED TO BE QUALITY HOUSING FOR THE PURPOSES OF ZONING.
11. FAR CALCULATION IS AS FOLLOWS:
    - 11.1. ALLOWABLE SQUARE FOOTAGE: 88,815 SQ. FT.
    - 11.2. CURRENT SQUARE FOOTAGE: 62,088 SQ. FT.
    - 11.3. AVAILABLE SQUARE FOOTAGE TO TRANSFER: 27,827 SQ. FT.
12. FAR EQUATION PER NY DEPT. OF CITY PLANNING WEB SITE, RETRIEVED 11/20/12.

TITLE SURVEY NOTES:

1. PROPERTY LINE DIMENSIONS PER DEED FILED MARCH 1st, 2011 CITY REGISTER FILE NO (CRFN) 2011000127612.
2. ALL UNITS IN U.S. SURVEY FEET.
3. THE FOLLOWING PROJECTIONS INTO THE ROW EXIST BUT ARE NOT LOCATED:
   - 3.1. FIRE ESCAPE--±3'-6"
   - 3.2. BRICK TRIM--±2"
   - 3.3. WINDOW SILLS--±2"
   - 3.4. WINDOW GUARDS--±1'-0"
4. THERE ARE NO VISIBLE STREAMS OR NATURAL WATER COURSES ON THIS PROPERTY.
5. AERIAL AND SUBSURFACE UTILITIES ARE NOT SHOWN.
6. UNAUTHORIZED ALTERATION OR ADDITION TO A SURVEY MAP BEARING A LICENSED LAND SURVEYOR'S SEAL IS A VIOLATION OF SECTION 7209, SUBDIVISION 2, OF THE NEW YORK STATE EDUCATION LAW.
7. ONLY BOUNDARY SURVEY MAPS WITH THE SURVEYOR'S EMBOSSED SEAL ARE GENUINE TRUE AND CORRECT COPIES OF THE SURVEYOR'S ORIGINAL WORK AND OPINION.
8. CERTIFICATIONS ON THIS BOUNDARY SURVEY MAP SIGNIFY THAT THE MAP WAS PREPARED IN ACCORDANCE WITH THE CURRENT EXISTING CODE OF PRACTICE FOR LAND SURVEYS ADOPTED BY THE NEW YORK STATE ASSOCIATION OF PROFESSIONAL SURVEYORS, INC. THE CERTIFICATION IS LIMITED TO THE PERSONS FOR WHOM THE BOUNDARY SURVEY MAP IS PREPARED, TO THE TITLE COMPANY, TO THE GOVERNMENT AGENCY AND TO THE LENDING INSTITUTION LISTED ON THIS BOUNDARY SURVEY MAP.
9. REPRODUCTION OR COPYING OF THIS DOCUMENT MAY BE A VIOLATION OF COPYRIGHT LAW UNLESS PERMISSION OF THE AUTHOR AND/OR COPYRIGHT HOLDER IS OBTAINED.
10. THE CERTIFICATIONS HEREON ARE NOT TRANSFERRABLE
11. A COPY OF THIS DOCUMENT WITHOUT A PROPER APPLICATION OF THE SURVEYOR'S EMBOSSED SEAL SHOULD BE ASSUMED TO BE AN UNAUTHORIZED COPY.
12. ALL RIGHTS RESERVED, COPYRIGHT 2012 GSESP

CERTIFY TO:

- 281 OWNER LLC, A DELAWARE LIMITED LIABILITY COMPANY
- ISRAEL DISCOUNT BANK, ITS SUCCESSORS AND/OR ASSIGNS, AS THEIR INTERESTS MAY APPEAR
- 245 OWNER LLC, A DELAWARE LIMITED LIABILITY COMPANY
- 245 PARTNERS LLC, A DELAWARE LIMITED LIABILITY COMPANY
- CENTURIAN 245 LLC, A DELAWARE LIMITED LIABILITY COMPANY
- 245 WEST 25th STREET BUILDING OWNER LLC, A DELAWARE LIMITED LIABILITY COMPANY
- ROYAL ABSTRACT OF NEW YORK, LLC

STORY	TOTAL SQ. FT.	22 6" VENTS SQ. FT.	POST DEDUCTIONS SQ. FT.	FLOOR ELEV IN FRONT OF ELEVATOR
1ST	10,363	5	10,348	28.85'
2ND	10,363	5	10,348	42.71'
3RD	10,363	5	10,348	52.18'
4TH	10,363	5	10,348	62.00'
5TH	10,363	5	10,348	71.82'
6TH	10,363	5	10,348	81.77'

LEGEND:

25.61' × — SPOT GRADE

×T/R=93.20' — TOP OF ROOF SHOT

×T/PARAPET=96.88' — TOP OF PARAPET AT BUILDING CORNER

LEGAL DESCRIPTION:

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, WITH THE BUILDING AND IMPROVEMENTS THEREON ERECTED, SITUATE, LYING AND BEING IN THE BOROUGH OF MANHATTAN, CITY, COUNTY AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY SIDE OF WEST 25th STREET DISTANT 193 FEET 9 INCHES EASTERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE NORTHERLY SIDE OF WEST 25th STREET WITH THE EASTERLY SIDE OF 8th AVENUE;

RUNNING THENCE NORTHERLY AND PARALLEL WITH 8th AVENUE, 98 FEET 9 INCHES TO THE CENTER LINE OF THE BLOCK BETWEEN WEST 25th AND WEST 26th STREETS;

RUNNING THENCE EASTERLY ALONG SAID CENTERLINE OF THE BLOCK, 151 FEET 3 INCHES TO A POINT DISTANT 455 FEET WESTERLY FROM THE WESTERLY SIDE OF SEVENTH AVENUE;

RUNNING THENCE SOUTHERLY PARALLEL WITH SEVENTH AVENUE, 98 FEET 9 INCHES TO THE NORTHERLY SIDE OF WEST 25th STREET;

THENCE WESTERLY ALONG THE NORTHERLY SIDE OF WEST 25th STREET, 151 FEET 3 INCHES TO THE POINT OR PLACE OF BEGINNING.

REV	DATE	BY	CHKD	DESCRIPTION	REFERENCE DRAWING	ENGR. NO.
0	12/17/12	GF				

SCALE: 1"=10'

ANGELO J. FIORENZA
PROFESSIONAL LAND SURVEYOR
NY LICENSE No. 049488

Garden State Engineering Surveying & Planning of New York, P.C.
Tel. (212) 645-4231

DRAWN:	GF	PROJECT NAME:	NAFTALI 245 WEST 25TH STREET MANHATTAN, N.Y.
DESIGNED:	-		
CHECKED:	AJF	PROJECT NO.:	NY12-091
APPROVED:	AJF	CLASSIFICATION:	SURVEY

DRAWING TITLE: DEVELOPMENT RIGHTS AND ROOF SURVEY LOT 9 BLOCK 779

DRAWING No.: NY12-091-200

REV. 0 — 12/17/12

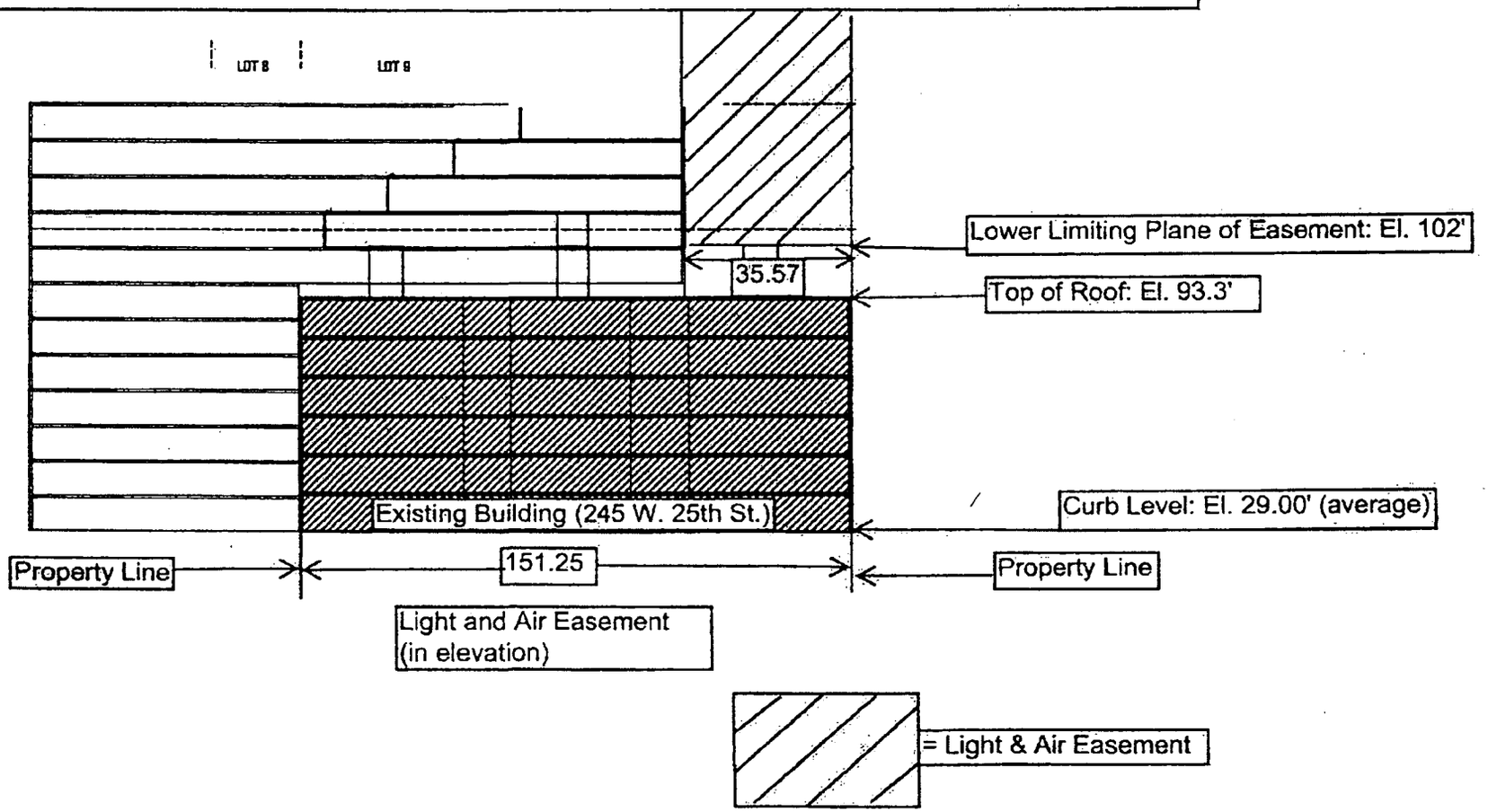
EXHIBIT "H"

Diagram of Light and Air Easement

(follows immediately)

Exhibit H-A Dated December 18, 2012

All Elevations are above Manhattan Datum as per Survey from Garden State Surveying dated December 17, 2012



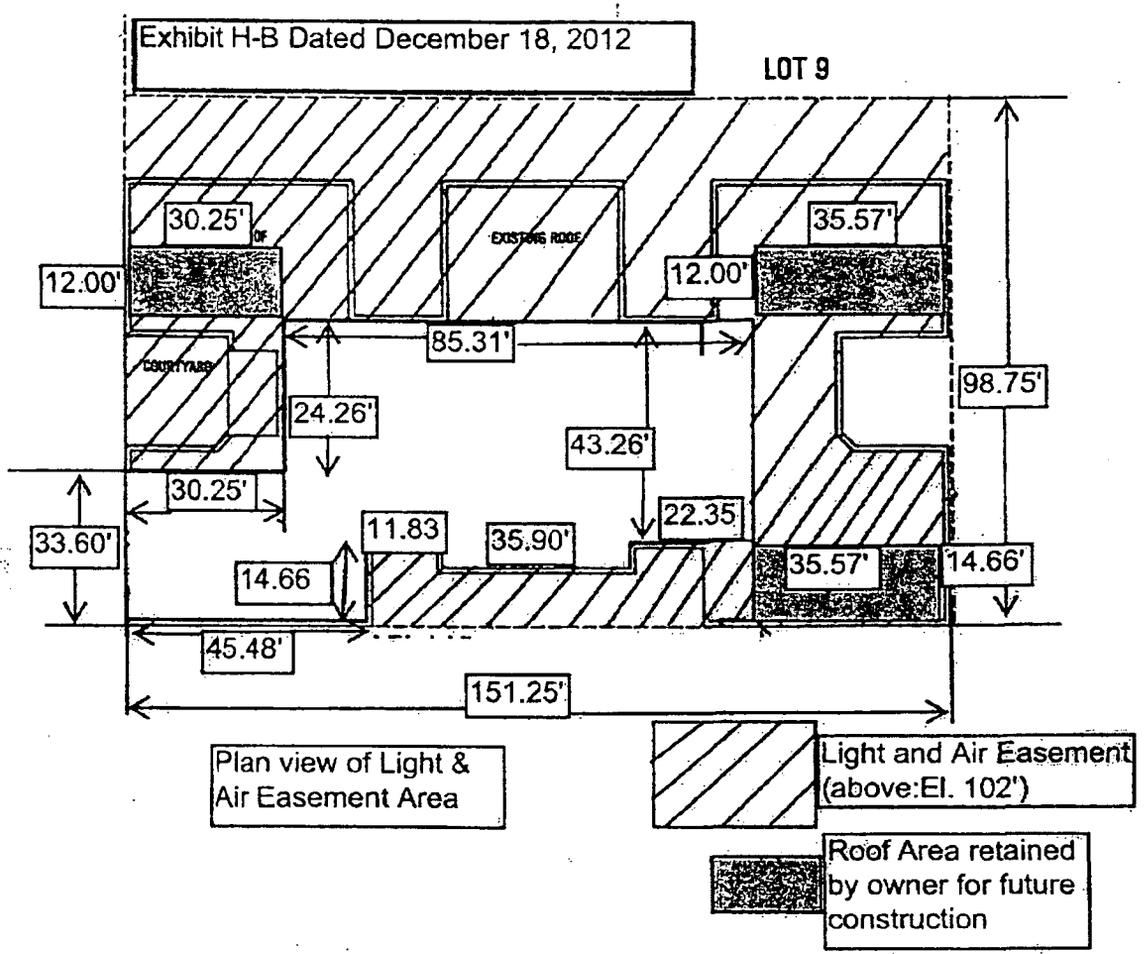


Exhibit H-B Dated December 18, 2012
LOT 9
30.25'
EXISTING ROOF
35.57'
12.00'
12.00'
85.31'
COURTYARD
98.75'
24.26'
43.26'
30.25'
22.35
11.83
35.90'
33.60'
14.66
35.57'
14.66'
45.48'
151.25'
Plan view of Light & Air Easement Area
Light and Air Easement (above:El. 102')
Roof Area retained by owner for future construction

EXHIBIT "I"

Form Light and Air Easement

EASEMENT AGREEMENT made this _____ day of _____, 20___, between _____, hereinafter referred to as the "**Grantor,**" having an office/residing at _____ and _____ hereinafter referred to as the "**Grantee,**" having an office/residing at _____.

WHEREAS, the Grantor is the fee owner of certain land located in the City and State of New York, Borough of , designated as Block Lot on the Tax Map of the City of New York, hereinafter referred to as Parcel A and more particularly described by a metes and bounds description set forth in Schedule A annexed hereto and by this reference made a part hereof;

WHEREAS, the Grantee is the fee owner of certain land located in the City and State of New York, Borough of _____, designated as Block _____ Lot _____ on the Tax Map of the City of New York, hereinafter referred to as Parcel B and more particularly described by a metes and bounds description set forth in Schedule B annexed hereto and by this reference made a part hereof;

WHEREAS, there is an existing/will be constructed a _____-story building on Parcel B;

WHEREAS, Grantee has requested the New York City Department of Buildings (the "**Department of Buildings**") to act upon Application No. _____ to construct a new building/to alter floors _____ to _____ for residential use on Parcel B; and

WHEREAS, the Department of Buildings may approve the Application upon the condition, *inter alia,* that Grantor create an easement for light and air for the benefit of the present and future owners of Parcel B in order to comply with the applicable provisions of Sections 27-732 and 27-746 of the 1968 Building Code or Sections BC 1203.4 and BC 1205.2 of the 2008 Building Code, as applicable.[1]

NOW, THEREFORE, good and valuable consideration having been paid, the Grantor for her/himself, her/his heirs, legal representatives, successors and assigns hereby makes the following grant to Grantee, her/his heirs, legal representatives, successors, and assigns and to any future owner of Parcel B:

1. The right to unrestricted light and air over Parcel A as described herein, such that any construction on Parcel A shall never infringe upon the light and air provided to Parcel B;

[1]This easement agreement may be entered into as a means of compliance with the 1968 or 2008 Building Codes by permitting such codes' light and air requirements to be satisfied on an adjacent tax lot. However, this agreement cannot be used to permit the required light and air to be satisfied on an adjacent zoning lot in lieu of compliance with the New York City Zoning Resolution or Section 30 of the Multiple Dwelling Law.

2. This easement agreement may not be modified, amended or terminated without the prior written consent of the Department of Buildings;

3. The covenants set forth herein shall run with the land and be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns;

4. Failure to comply with the terms of this easement agreement may result in the revocation of a building permit or certificate of occupancy; and

5. This easement agreement shall be recorded at the city register's (county clerk's) office against all affected parcels of land and the cross-reference number and title of the easement agreement shall be recorded on each temporary and permanent certificate of occupancy hereafter issued to buildings located on the affected parcels and in any deed for the conveyance thereof.

IN WITNESS WHEREOF, Parties have made and executed the foregoing easement agreement as of the date hereinabove written.

_____ _____

_____ _____

Grantor Grantee
By: By:

STATE OF NEW YORK)
)ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared [Grantor] , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

_____
Notary Public

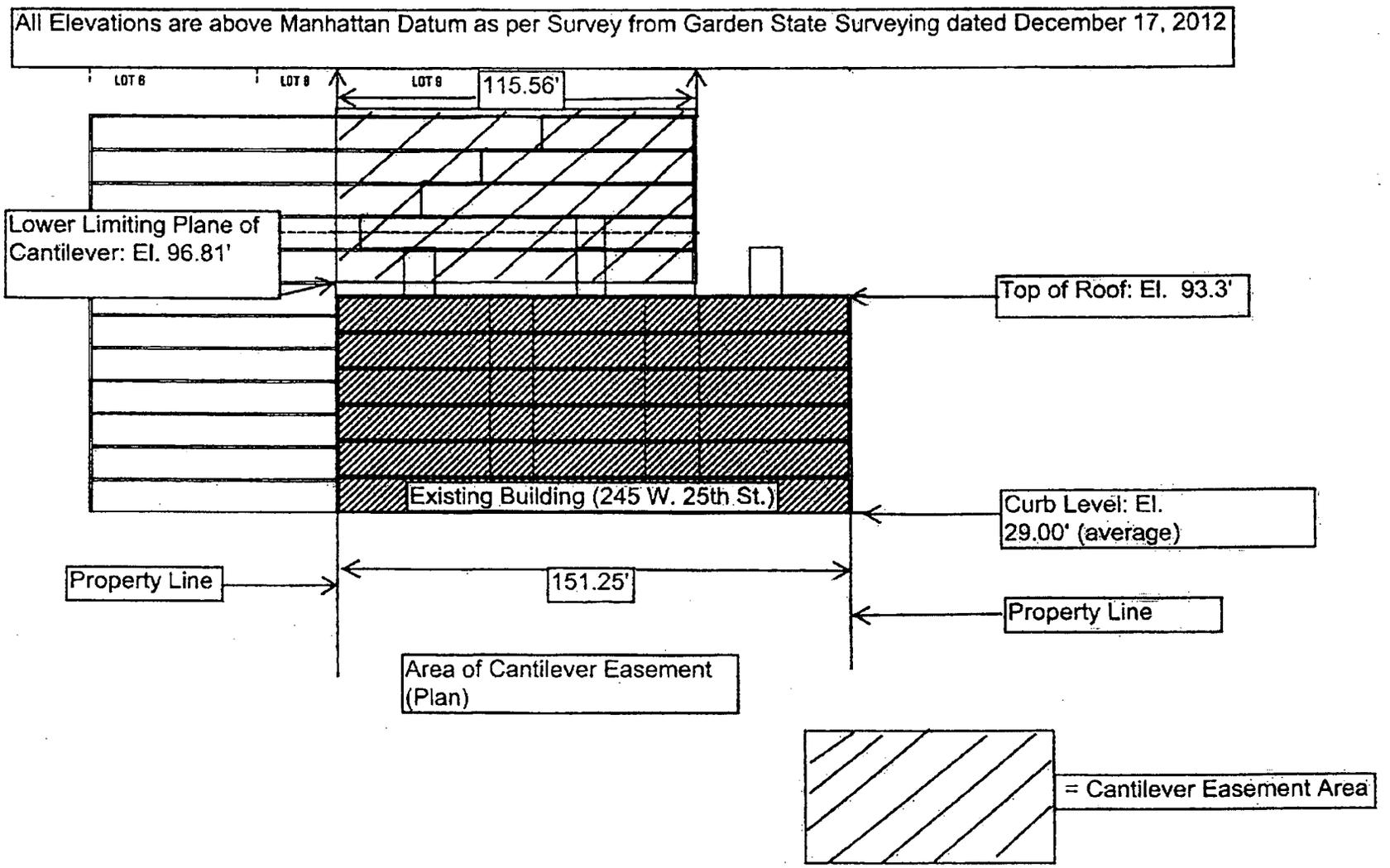
STATE OF NEW YORK)
)ss.:
COUNTY OF _____)

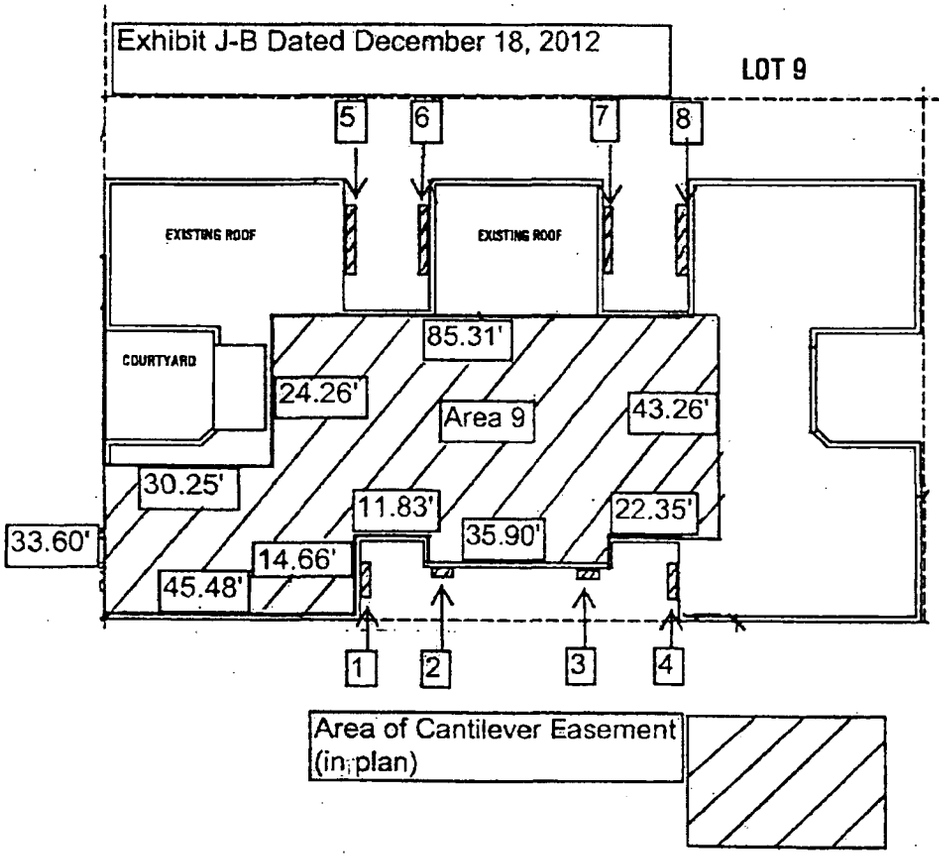
On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared [Grantor] , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

_____
Notary Public

Exhibit J-A December 18, 2012





Description of Areas:
Area within which columns may be located:
In the rear court (locations 5,6,7,8), the columns may be placed in the area between the existing window openings in the walls running North/South in the existing outer courts in an area having an approximate depth of 12'-0" and width of approximately 2'-0"
In the front court (locations 1 and 4), the columns may be placed in the area between the window openings located in the walls running North/South in an area having an approximate depth 7'-0" and width of approximately 2'-0".
On the street wall facing the front court in the area that is set in from the corner of the returns a distance of approximately 3 feet, the columns may be placed between the window openings in an area having an approximate width of 4'-6" and depth of approximate 2'-6".
All columns 1-8 will be placed outside the masonry openings of the windows.
Area 9: Area 9 represents cantilever footprint over existing building

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument.The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2013103101087003002ED77C

RECORDING AND ENDORSEMENT COVER PAGE **PAGE 1 OF 11**

Document ID: 2013103101087003 Document Date: 10-31-2013 Preparation Date: 11-04-2013
Document Type: AGREEMENT
Document Page Count: 9

PRESENTER:
ROYAL ABSTRACT OF NEW YORK
LLC(PICK-UP/RANDY)
500 5TH AVENUE-SUITE 1540
NEW YORK, NY 10110
212-376-0900
MBASALATAN@ROYALABSTRACT.COM

RETURN TO:
ROYAL ABSTRACT OF NEW YORK
LLC(PICK-UP/RANDY)
500 5TH AVENUE-SUITE 1540
NEW YORK, NY 10110
212-376-0900
MBASALATAN@ROYALABSTRACT.COM

PROPERTY DATA

Borough	Block	Lot	Unit	Address
MANHATTAN	775	6	Entire Lot	263 WEST 25TH STREET

Property Type: APARTMENT BUILDING

Borough	Block	Lot	Unit	Address
MANHATTAN	775	8	Entire Lot	261 WEST 25TH STREET

Property Type: APARTMENT BUILDING

☒ Additional Properties on Continuation Page

CROSS REFERENCE DATA

CRFN_____ *or* DocumentID_____ *or* _____ Year____ Reel____ Page_____ *or* File Number_____

PARTIES

PARTY 1:
261 OWNER LLC
C/O NAFTALI GROUP, 1700 BROADWAY, 16TH FLOOR
NEW YORK, NY 10019

PARTY 2:
261 OWNER LLC
C/O NAFTALI GROUP, 1700 BROADWAY, 16TH FLOOR
NEW YORK, NY 10019

FEES AND TAXES

Mortgage :		
Mortgage Amount:	$	0.00
Taxable Mortgage Amount:	$	0.00
Exemption:		
TAXES: County (Basic):	$	0.00
City (Additional):	$	0.00
Spec (Additional):	$	0.00
TASF:	$	0.00
MTA:	$	0.00
NYCTA:	$	0.00
Additional MRT:	$	0.00
TOTAL:	$	0.00
Recording Fee:	$	91.00
Affidavit Fee:	$	0.00

Filing Fee: $ 100.00
NYC Real Property Transfer Tax: $ 0.00
NYS Real Estate Transfer Tax: $ 0.00

RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK
Recorded/Filed 11-06-2013 13:19
City Register File No.(CRFN): **2013000457865**

City Register Official Signature

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

2013103101087003002CD5FC

RECORDING AND ENDORSEMENT COVER PAGE (CONTINUATION) **PAGE 2 OF 11**

Document ID: 2013103101087003 Document Date: 10-31-2013 Preparation Date: 10-31-2013
Document Type: AGREEMENT

PROPERTY DATA

Borough	Block	Lot		Unit	Address
MANHATTAN	775	9	Entire Lot		245 WEST 25TH STREET

Property Type: APARTMENT BUILDING

Borough	Block	Lot		Unit	Address
MANHATTAN	775	5	Entire Lot		267 WEST 25TH STREET

Property Type: 1-3 FAMILY WITH STORE / OFFICE

FIRST AMENDMENT OF ZONING LOT DEVELOPMENT & EASEMENT AGREEMENT

First Amendment of Zoning Lot Development & Easement Agreement dated as of October 31, 2013 by 261 Owner LLC, a Delaware limited liability company having its principal place of business c/o NAFTALI GROUP, 1700 Broadway, 16th Floor, New York, New York 10019 ("Developer").

RECITALS:

A. Developer owns the properties located at 261 and 263-265 West 25th Street, New York, New York, which are identified on the Tax Map of the City of New York for the County of New York (the "**Tax Map**") as Block 775, Lots 6 and 8 ("**Developer's Parcel**"), more particularly described in Exhibit A.

B. On December 20, 2012, Developer entered into a Zoning Lot Development and Easement Agreement (the "ZLDA") with 245 OWNER LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 1**"), 245 PARTNERS LLC, a Delaware limited liability company having an address at c/o Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("**TIC Owner 2**"), CENTURIAN 245 LLC, a Delaware limited liability company having an address at 450 Seventh Avenue – 45th Floor, New York, New York 10123 ("**TIC Owner 3**") and 245 WEST 25th STREET BUILDING OWNER LLC, 9 West 57th Street, New York New York 10019 ("**TIC Owner 4**")(TIC Owner 1, TIC Owner 2, TIC Owner 3 and TIC Owner 4, as Tenants-in-Common; collectively, the "**Owner**"), owner of the property located at 245 West 25th Street and identified on the Tax Map as Block 775, Lot 9 ("**Owner's Parcel**"), more particularly described in Exhibit B. The ZLDA was recorded in the Office of the New York City Register for New York County at CRFN 2013000078639 on February 25, 2013.

C. The ZLDA *inter alia* allocates the development rights appurtenant to each of Developer's Parcel and Owner's Parcel between the Parcels and creates certain easements for the benefit of Developer.

D. In the ZLDA, Developer reserved the right to add one or more additional parcels of land to the Merged Zoning Lot (as defined in the ZLDA) and Owner consented for itself and its successors to such Amendments (as defined in the ZLDA) to the ZLDA and waived the right to join in or execute any such Amendments.

E. As of October 7, 2013, Developer has acquired title to 267 West 25th Street, which is identified on the Tax Map as Block 775, Lot 5, more particularly described in Exhibit C (the "**First Additional Parcel**"). Developer proposes to add the First Additional Parcel to the Merged Zoning Lot.

F. Stewart Title Insurance Company has certified in a certification of parties in interest dated October 23, 2013, that Developer is the only party in interest in the Merged Zoning Lot, as

proposed to be enlarged by the First Additional Parcel, except for parties that have waived the right to execute Amendments.

G. Developer now wishes to amend the ZLDA for the purpose of providing a revised description of Developer's Parcel (as defined in the ZLDA) so as to make the First Additional Parcel a part of Developer's Parcel and of the Merged Zoning Lot. To that end, Developer has caused an Amended Declaration of Zoning Lot Restriction of even date herewith to be recorded simultaneously with the recording of this First Amendment.

NOW THEREFORE, in consideration of the foregoing and the mutual promises and agreements contained in the ZLDA, the ZLDA is amended as follows:

1. The third decretal recital is amended to read in its entirety:

> WHEREAS, Developer is also the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 6 in Block 775 on the Tax Map of the City of New York, County of New York ("**Lot 6**"), and as and by the street address 263-265 West 25th Street, New York, New York, and more particularly described on **Exhibit "C"** annexed hereto and made a part hereof;

2. A new recital is added following the third decretal recital to read:

> WHEREAS, Developer is also the fee owner of certain land, with the buildings and improvements thereon, located in the Borough of Manhattan, City, County and State of New York, known as Lot 5 in Block 775 on the Tax Map of the City of New York, County of New York ("**Lot 5**"), and as and by the street address 267 West 25th Street, New York, New York, and more particularly described on **Exhibit "G"** annexed hereto and made a part hereof (Lot 5, Lot 6 and Lot 8, collectively, the "**Developer Land**"; the buildings and improvements now existing on Lot 5, Lot 6 and Lot 8, collectively, the "**Developer's Building**").

3. Section 11(a) of the ZLDA is amended by adding thereto the following sentence: "As used in this Agreement, the term "Additional Parcel" or "Additional Parcels" means any parcel or parcels of land, together with the buildings or improvements thereon, that are added to the Merged Zoning Lot after December 20, 2012, either as a result of an acquisition by Developer or by further merger into the Merged Zoning Lot, including, without limitation, the First Additional Parcel."

4. A new "Exhibit G" in the form annexed hereto as Exhibit C is added to the ZLDA to describe the First Additional Parcel.

5. As expressly modified by this First Amendment, all of the terms and conditions of the ZLDA remain in full force and effect, unmodified, in accordance with their terms.

IN WITNESS WHEREOF, the undersigned has executed and delivered this First Amendment as of the day and year first above written.

DEVELOPER:

261 OWNER LLC,
a Delaware limited liability company

By: _____
Name: Victor Sigpura
Title: Member

[Signature Page to First Amendment of Zoning Lot Development & Easement Agreement]

STATE OF ~~NEW YORK~~ New Jersey)
)ss.:
COUNTY OF ~~NEW YORK~~ Bergen)

EVA MALACHI
Notary Public
State of New Jersey
My Commission Expires Aug 26 2014

On the 30 day of October in the year 2013 before me, the undersigned, personally appeared Victor Sisgoreo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person or entity upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT A

Developer's Parcel

Lot 6

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 119 feet 2 ½ inches easterly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of Eighth Avenue;

RUNNING THENCE northerly along a line forming an interior angle of 91 degrees 03 minutes 10 seconds with the northerly side of West 25th Street a distance of 98 feet 9 1/8 inches to a point on the center line of the block between West 25th Street and West 26th Street, which point is distant 117 feet 4 ¾ inches easterly from the easterly side of Eighth Avenue, when measured along a line which forms an exterior angle of 91 degrees 03 minutes 10 seconds with the last mentioned course;

THENCE easterly along said center line of the block between West 25th Street and West 26th Street, which center line forms an interior angle of 88 degrees 56 minutes 50 seconds with the last mentioned course a distance of 49 feet 8 ½ inches to a point;

THENCE southerly along a line forming an interior angle of 90 degrees 56 minutes 00 seconds with the center line of the block between West 25th Street and West 26th Street a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map),to a point on the northerly side of West 25th Street;

THENCE westerly along northerly side of West 25th Street, which northerly side forms an interior angle of 89 degrees 04 minutes 00 seconds with the last mentioned course a distance of 49 feet 8 inches (deed), 49 feet 6 inches (actual and tax map), to the point or place of BEGINNING.

Lot 8

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street, distant 168 feet 11 inches (deed), 168 feet 8 ½ inches (actual and tax map), easterly from the corner formed by the intersection of the easterly side of 8th Avenue with the northerly side of West 25th Street;

RUNNING THENCE northerly along a line forming an interior angle with the northerly side of West 25th Street of 90 degrees 00 minutes 00 seconds (deed), 90 degrees 56 minutes 00 seconds (actual), a distance of 98 feet 9 inches (deed), 98 feet 9 1/8 inches (actual and tax map) to the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along a line forming an interior angle with the last mentioned course of 89 degrees 04 minutes 00 seconds, which line is also the center line of the block between West 25th Street and West 26th

Street a distance of 24 feet 10 inches (deed), 26 feet 7 ¾ inches (actual) to a point, which point is 193 feet 9 inches easterly from the easterly side of 8th Avenue, when measured at right angles thereto;

THENCE southerly along a line forming an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course a distance of 98 feet 9 inches to point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street, which northerly side of West 25th Street forms an interior angle of 90 degrees 00 minutes 00 seconds with the last mentioned course, a distance of 24 feet 10 inches (deed), 25 feet 0 ½ inches (actual and tax map), to the point or place of BEGINNING.

EXHIBIT B

Owner's Parcel

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, County and State of New York, bounded and described as follows:-

BEGINNING at a point on the northerly side of West 25th Street distant 193 feet 9 inches easterly from the corner formed by the intersection of the northerly side of West 25th Street with the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with 8th Avenue a distance of 98 feet 9 inches to the center line of the block between West 25th and West 26th Streets;

RUNNING THENCE easterly along said center line of the block a distance of 151 feet 3 inches to a point distant 455 feet westerly from the westerly side of Seventh Avenue;

RUNNING THENCE southerly and parallel with the westerly side of Seventh Avenue a distance of 98 feet 9 inches to a point on the northerly side of West 25th Street,

THENCE westerly along the northerly side of West 25th Street a distance of 151 feet 3 inches to the point or place of BEGINNING.

EXHIBIT C
First Additional Parcel

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, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 25th Street distant 95 feet easterly from the corner formed by the intersection of the northerly side of West 25th Street and the easterly side of 8th Avenue;

RUNNING THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 ½ inches to a point;

THENCE easterly and parallel with the northerly side of West 25th Street a distance of 5 feet to a point;

THENCE northerly and parallel with the easterly side of 8th Avenue a distance of 49 feet 4 ½ inches to a point on the center line of the block between West 25th Street and West 26th Street;

THENCE easterly along the center line of the block between West 25th Street and West 26th Street a distance of 17 feet 4 ¾ inches to a point;

THENCE southerly along a line forming an interior angle on its westerly side of 91 degrees 03 minutes 10 seconds with the last mentioned line a distance of 98 feet 9 1/8 inches to a point on the northerly side of West 25th Street;

THENCE westerly along the northerly side of West 25th Street a distance of 24 feet 2 ½ inches to the point or place of BEGINNING.

EXHIBIT 10

FORM OF STORAGE BIN LICENSE AGREEMENT AND ASSIGNMENT AND ASSUMPTION OF LICENSE

STORAGE LICENSE AGREMEENT

STORAGE LICENSE AGREEMENT made this ___ day of _____, 20__ ("Agreement") by and between 261 OWNER LLC, having an office c/o The Naftali Group, LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("Sponsor"), the Board of THE SEYMOUR CONDOMINIUM, on behalf of all Unit Owners, having an address at 261 WEST 25TH STREET, New York, New York 10001 (the "Board") (together, Sponsor and the Board are sometimes referred to as "Licensor"), and _____ having an address at 261 WEST 25TH STREET, Unit ___, New York, New York 10001 ("Licensee");

WHEREAS, THE SEYMOUR CONDOMINIUM ("Condominium") is governed by a certain Declaration of Condominium dated as of _____, 20__, recorded in the New York County Office of the Register of the City of New York on _____, 20__ as CRFN _____, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the Declaration, the By-Laws and the Rules and Regulations are collectively referred to as the "Condominium Documents"); and

WHEREAS, there are Storage Bins **[or Bicycle Storage]** ("Storage Bins") **["Bicycle Storage"]** that have been installed for use by permitted Unit Owners, located on the _____Floors of the Building, which are General Common Elements; and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring Unit ___ in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use of Storage Bin **[Bicycle Storage]** #___ for so long as Licensee owns a Unit in the Condominium (the "License");

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a License for the exclusive use of Storage Bin **[Bicycle Storage]** #___ (the "Licensed Area") and Licensee hereby accepts such License from Licensor for a term commencing on the date hereof.

2. Licensee shall pay a monthly license fee to the Board, in an amount equal to $1.00 per square foot of area of the Licensed Area **[$20 per month per Bicycle Storage space]**, which amount shall, beginning as of _____, be subject to biannual increases based upon the CPI Increase Factor in effect on _____. Further, the license fee is subject to change (in addition to any CPI increase) from time to time as the Board deems necessary.

3. The Licensed Area may only be used for storage purposes, provided that no material which poses a health or safety threat or which otherwise creates a nuisance may be stored therein.

4. Licensee shall not: (a) store any property in the Storage Bin **[Bicycle Storage]** outside of the Storage Bins **[Bicycle Storage]** licensed herein; or (b) allow any other person to use the License except in accordance with the terms hereof.

5. This License may be assigned by Licensee at any time provided: (i) the assignee is a Unit Owner at the Condominium, (ii) the assignee assumes the obligations hereunder in the form annexed hereto, (iii) notification of the assignment is delivered in writing to Sponsor and the Board in compliance with its requirements as the same may be modified from time to time, and (iv) no outstanding monies are owed to Sponsor and/or the Condominium by the Licensee and/or the assignee. This License shall automatically terminate at such time as the Licensee no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner.

6. Licensee represents that it has made a thorough inspection of the Licensed Area and agrees to take same in its "as is" condition as of the date of this Agreement. Licensee shall throughout the term of this Agreement take good care of and maintain the Licensed Area. All repairs and replacements to the Storage Bins **[Bicycle Storage]**, as well as any rooms or spaces in which such Storage Bins **[Bicycle Storage]** are located, shall be performed by the Board and the cost thereof shall be a Residential Common Expense (as defined in the By-Laws), unless such repair or replacement is necessitated by the negligence, misuse, or abuse of a Licensee, then the entire cost and expense of such repair or replacement shall be borne by such Licensee.

7. Neither Licensor nor the respective agents or employees of such Licensor shall be liable for any theft or damage to any property stored in the Licensed Area.

8. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

9. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Licensed Area until Licensee cures such default, or (ii) terminate this Agreement upon written notice to Licensee.

10. The Board or its agents shall have the right, but not the obligation, to open the Licensed Area in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Licensed Area and to make such repairs, replacements and improvements as the Board shall deem necessary.

11. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of the Licensed Area or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Licensor and the Licensee with respect to the License or this Agreement.

12. Licensee shall indemnify and hold Licensor and their respective directors, officers, partners, parent and subsidiary and affiliated companies, agents and employees, harmless from and against any and all liabilities, claims, causes of action, damages, lawsuits, penalties, judgments, and liens, together with any related costs and expenses, including but not limited to reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with this License.

13. This Agreement and the License, and use and ownership of Storage Bins **[Bicycle Storage]**, are also subject to pertinent provisions of all Condominium governing documents, including, but not limited to the Condominium Declaration, the Condominium By-Laws, including but not limited to Section 6.10 of the such By-Laws, and to such Rules and Regulations as may be adopted by the Board with regard to Licenses and Licensed Areas.

14. If at any time the Licensee sells its Residential Unit, it shall simultaneously assign its License and this Agreement to another owner of a Residential Unit, or a person simultaneously purchasing a Residential Unit; and if it fails to do so, the Board shall have the right to terminate such License and this Agreement and take possession of the Storage Bin **[Bicycle Storage]** without compensation to the Storage Bin **[Bicycle Storage]** licensee.

15. Licensee shall at all times maintain, in full force and effect, insurance covering both the property stored in the Licensed Bin as well as coverage for Licensee's liability with minimum limits of liability of $_____. Licensee further agrees to a waiver of its insurer's right of subrogation against Licensor.

16. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by the Licensor in defending the rights of the Licensor under this Agreement or, in the event Licensee defaults under this Agreement beyond any applicable grace period, enforcing Licensee's obligations hereunder.

17. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

18. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

19. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

20. 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.

21. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

BOARD OF MANAGERS
THE SEYMOUR CONDOMINIUM

By: _____
Name:
Title:

261 OWNER LLC

By: _____
Name: _____
Title:

LICENSEE:

By: _____

By: _____

ASSIGNMENT AND ASSUMPTION
OF STORAGE LICENSE AGREEEMENT

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE LICENSE AGREEEMENT made as of the _____ day of _____, 20__ by and between _____ (hereinafter referred to as the "Assignor"), having an address at _____, New York, New York _____, and _____ (hereinafter referred to as the "Assignee"), having an address at _____, New York, New York _____.

W I T N E S S E T H:

WHEREAS, Assignor executed a certain Storage License Agreement dated _____ ___, 201__ (the "Agreement") to have the exclusive right (the "License") to use Storage Bin # ___ in THE SEYMOUR CONDOMINIUM, located at 261 WEST 25TH STREET, New York, New York 10001, in accordance with the terms of the Condominium Offering Plan dated _____, 2012 (the "Plan") as amended to date; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Agreement and the License granted therein; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Agreement; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment;

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns the Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Agreement and the License, a copy of which is attached hereto and made a part hereof, for a purchase price of $_____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Agreement as if Assignee had signed the Agreement originally as "Licensee".

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use Storage Bin **[Bicycle Storage]** # ____ (the "Licensed Area").

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Storage License Agreement on the day and year first above written.

ASSIGNOR:

_____

ASSIGNEE:

_____

APPROVED BY

BOARD OF MANAGERS OF
THE SEYMOUR CONDOMINIUM CONDOMINIUM

By:_____

Name:_____

Title:_____

EXHIBIT 11

REAL PROPERTY LAW SECTION 339-kk

§ *339-kk Real Prop.* Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.